AUSTRALIAN INSTITUTE OF ADMINISTRATIVE LAW

GPO Box 2220
Canberra City
ACT 2601

NEWSLETTER
NO 4 1990

The Institute's first year

The first year of the Institute's operation was concluded with the Annual General Meeting, held in Canberra on 26 September at the Hyatt Hotel. The occasion was marked with a formal business session at which a new Executive was elected, by an address from the President of the Administrative Appeals Tribunal, Justice Deirdre O'Connor, and by a Dinner. A memorable highlight of the Dinner was a vigorous discussion over coffee between Justice O'Connor and guests on matters arising out of her address.

The AGM received reports from the President, Secretary, and Treasurer. The accounts have been enclosed separately with the Newsletter. The Report of the President, Professor Jack Richardson, highlighted the range of different activities undertaken by the Institute in its first year:

Formation: The Institute was initially formed in 1989, and formally incorporated in the ACT in 1990. An executive committee was established to manage the affairs of the Institute, initially with Mr Geoffrey Kolts QC as President, and later Professor Jack Richardson. The current President elected at the AGM is Professor Dennis Pearce.

Membership: The membership totalled 184 at the end of the first year, including 21 institutional members. Numbers are expected to increase with the development of State chapters of the Institute – see article on page 2.

Meetings: One of the main activities which the Institute has provided for members is a regular cycle of meetings that has been attended routinely by about 40–50 members in Canberra. It is expected that with the formation of

In this issue ...

Enclosed with this issue ...

1990 financial accounts
1991 membership renewal form

Editor: John McMillan, ANU Law Faculty

AUSTRALIAN INSTITUTE OF ADMINISTRATIVE LAW EXECUTIVE

(Elected at AGM, September 1990)

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(After 1 Feb: ANU Law Faculty)

Secretary

Stephen Argument (06) 277 3050
(Senate Standing Committee for the Scrunity of Bills)

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John McMillan (06) 249 4662
(Law Faculty, ANU)

Robert Todd (06) 243 4611
(Administrative Appeals Tribunal)

Treasurer

Gary Rumble (06) 247 7888
(Blake Dawson Waldron)

Executive Members

John Bundock (06) 281 0989
(Ken Johnston Bedford and Co Solicitors)

Gary Corr (06) 271 5768
(Department of Prime Minister and Cabinet)

Derek Emerson-Elliot (06) 289 6506
(Department of Veterans' Affairs)

Chris Hunt (06) 275 8111
(ACT Government Law Office)

Bronwyn McNaughton (06) 277 3560
(Senate Standing Committee on Legal and Constitutional Affairs)

chapters meetings will be repeated in other cities. Six evening meetings have already been held in Canberra, addressed by the following speakers:

Mr Jeffrey Lubbers, Director of Research of the Administrative Conference of the United States, spoke about the US system of administrative law – see *Newsletter No 1*

Ms Pamela O'Neil, Principal Member of the Immigration Review Tribunal, spoke about the Tribunal – see *Newsletter No 3*

Mr Alan Rose, Secretary of the Commonwealth Attorney-General's Department, spoke about the future of administrative review.

Professor Dennis Pearce, Commonwealth Ombudsman, spoke about the work of his office

Justice Deirdre O'Connor, President of the Administrative Appeals Tribunal, addressed the Annual General Meeting in relation to the work of the AAT

Mr Chris Hunt, Secretary of the ACT Department of Justice and Community Services, spoke on ACT administrative law developments.

Seminars: "Administrative Law in Queensland – A New Beginning" was the topic of the successful seminar held in Brisbane in May 1990, and attended by 110 participants – see *Newsletter No 3*. Planning is already advanced for a high profile seminar on Australian administrative law developments to be held in Canberra in April 1991 – see p 3.

Newsletters: This is the fourth of the regular Newsletters published by the Institute in its first year and mailed to all members. Another four will be published in 1991, containing articles on administrative law, reports on the work of the Institute, and information and notices concerning the activities of each of the State chapters.

Submission: The Institute made a written submission to the Parliamentary Joint Committee on the Australian Security Intelligence Organization, concerning its review of the application of the access provisions of the Archives Act 1982 (Cth) to ASIO. Mr Robert Todd, a member of the Executive Committee of the Institute, subsequently appeared before the Joint Committee on behalf of the Institute.

State chapters: The main business transacted at the Annual General Meeting was the adoption of amended Rules, to delete transitional provisions from the Rules, and to facilitate the formation of State chapters. Steps have subsequently been taken to form a NSW Chapter – see p 2.

STATE AND TERRITORY CHAPTERS

From the outset it has been intended that the Institute should be established as a national organisation, with an active presence in each State and Territory.

A proud step to that goal was taken recently with a meeting held in Sydney to form a NSW Chapter. The meeting was held on Tuesday 11 December in the Staff Common Room at the Faculty of Law, University of Sydney, chaired by Professor John Goldring, Dean of the Faculty of Law at the University of Wollongong. Over 30 people attended, mostly lawyers, from the judiciary and tribunals, private firms, the bar, law faculties, government agencies, and private corporations. Dennis Pearce, the President of the Institute, also attended.

A Committee was established to facilitate the creation of a NSW Chapter, comprising:

Mathew Smith, Barrister
Melinda Jones, UNSW Law Faculty
John Fitzgerald, Legal Aid Office
John Eager, Solicitor
Hugh Roberts, State Crown Solicitor
Frank Esparraga, ICAC

Plans are also underway to hold inaugural meetings in Adelaide, Brisbane, and Melbourne. Members in those States will be notified of the proposed meetings. Similar arrangements can also be made for other States or the Northern Territory if there are any resident members who wish to take the matter further.

The formation of State and Territory chapters was made possible by an amendment to the Rules of the Institute at the Annual General Meeting in September 1990. In brief, the scheme established is that the Institute will exist as a single organization, incorporated in the ACT. At present the people who have been elected to the Executive are residents of the ACT.

The Rules confer power on the Executive to establish a Chapter of the Institute in a State or Territory, and to make by-laws for the management of the affairs of a Chapter in relation to matters such as the election of a committee to manage the affairs of a Chapter, and the operation by the Chapter of a separate bank account. By-laws will be made after there has been more opportunity to obtain the views of different Chapters and members. Arrangements will also need to be made in the future on matters such as the division of membership finances between the Chapters and the Executive, and the distribution nationally and locally of the Newsletter.

MEMBERS' NOTES

Membership renewal: Accompanying this *Newsletter* is a membership renewal form for 1991, which members are asked to complete as soon as possible. *The Executive would make the request that the option of Corporate membership of the Institute be approached on a sensible basis.* There will be instances in which it is appropriate for the corporate membership of a firm or organization to confer membership rights on some of the members of that body. But corporate membership was not designed to provide an aggregate discount for individuals. The membership of a department or large firm would not, for example, bestow membership rights on all the members of that organization.

Sydney: Dr Margaret Allars, from the Faculty of Law at the University of Sydney, has received a grant from the Australian Research Council, to conduct an empirical study over three years on the impact of the Freedom of Information Act 1989 (NSW) upon the discretionary decision-making of selected government agencies in NSW.

Wollongong: The University of Wollongong has recently established within the Faculty of Law a Centre for Court Policy and Administration. John Goldring writes that the Centre will foster research and teaching on the policy and practice of the management of courts and tribunals in Australia. The first program offered by the Centre, to begin in February 1991, will be a Graduate Diploma in Court Policy and Administration. The principal aim of the course will be to provide for those concerned with court and tribunal administration, an understanding of the role of the courts and tribunals in society and a knowledge of management principles designed for the more effective working of the judicial systems in the Commonwealth and the States. A brochure on the Centre and the Graduate Diploma can be obtained from the Faculty of Law, University of Wollongong, PO Box 1144, Wollongong, NSW, 2500.

Brisbane: The Electoral and Administrative Review Commission has completed its enquiries into freedom of information and judicial review. Reports were presented to the Government in December proposing the enactment by Parliament of a *Freedom of Information Act*, and a *Judicial Review Act*. Two other administrative law projects are also well underway in the Commission. A discussion paper on Protection of Whistleblowers was published in December 1990. A discussion paper on administrative appeals will be published in 1991. The address of the Commission is PO Box 349 North Bray, Qld 4002.

Canberra: The Australian Institute of Administrative Law and the Royal Australian Institute of Public Administration will be jointly staging a two day seminar in Canberra on 29 and 30 April 1991 at the Lakeside Hotel. The title of the seminar is "Fair and Open Decision Making: 1991 Administrative Law Forum". The topics to be examined in individual sessions will include Australian and international administrative law developments, the cost of administrative justice, judicial review developments, different forms of administrative review, and future directions. The Director of Research for the seminar is John McMillan, of the ANU Law Faculty. Full details will soon be circulated to all members in an enrolment brochure. Members will receive a discount on the registration fee.

Future newsletters: Members are encouraged to submit any articles, information, announcements and the like for inclusion in the *Newsletter*. Please forward any contribution to the Secretary, GPO Box 2220, CANBERR AACT, 2601.

REVIEW OF ADMINISTRATIVE OPERATIONS OF AAT

Since 1 January 1990 the Administrative Appeals Tribunal has been responsible for its own administrative management. A review has now been established into the administrative operations of the Tribunal. The Steering Committee for the review comprises:

Justice Deirdre O'Connor, President of the Administrative Appeals Tribunal

Deputy President Robert Todd

Professor Cheryl Saunders, President of the Administrative Review Council

Mr Alan Rose, Secretary, Attorney-General's Department

Mr Brian Thornton, Assistant Secretary, Department of Finance

Mr David Schulz, Registrar

A Working Party convened by Deputy President Todd is required to prepare a draft first stage report for the Committee by 1 May 1991. A final report is to be provided to the President and the Attorney-General by 1 December 1991. The Working Party has invited comments or proposals from interested organizations and individuals, to be forwarded to "The Working Party, AAT Review, c/- Deputy President Todd, Administrative Appeals Tribunal, GPO Box 9955, CANBERRA, ACT, 2601".

The Terms of Reference for the review identify the Purpose and Key Issues of the review in the following terms:

Purpose

To assess:

- the requisite services of the Tribunal, and
- the effectiveness and efficiency of the Tribunal's existing administrative operational arrangements and structures for delivering the services required of the Tribunal by the relevant legislation, with a view to making recommendations to the President and to the Attorney-General:
- on how improvements can be made, and
- making a detailed costing of them.

Key Issues

1. Identify the persons, organisations and institutions served by the Tribunal and the needs which they seek the Tribunal to meet.

2. Definition of the functions of the Tribunal.

3. Adequacy of the *Administrative Appeals Tribunal Act 1975* and the *Administrative Appeals Tribunal Regulations.*

4. Identify the service standards and levels required of the Tribunal.

5. The use of Members, Registrar, Deputy Registrars and other Staff in terms of allocation within the Tribunal.

6. The effectiveness and efficiency of the registries:

6.1 examination of the operation, effectiveness and efficiency of each registry

6.2 structure of the registry system including the number and location of registries.

7. Management, co-ordination and control arrangements:

7.1 the desirability of a centralised or decentralised management approach

7.2 standardisation of procedures and practices

7.3 corporate plan

7.4 information and technology plan

7.5 organisation structure

7.6 management information systems.

8. The provision of physical, personnel and documentary security for all facets of the Tribunal's operations.

9. The Tribunal's resource management:

9.1 budget and financial controls (including resource allocation arrangements)

9.2 revenue generation possibilities

9.3 attraction and retention of appropriately qualified Members, Registrar, Deputy Registrars and other staff to each area of the Tribunal

9.4 workload/performance indicators

9.5 use of ADP

10. The relationship between the Tribunal, Tribunal users, the legal profession, other professions, other groups or organisations representing Tribunal users, other Courts and Tribunals and external organisations.

11. Resource requirements (drawing on the elements established above).

12. Development of a management plan to define changes required in the Tribunal's operation and how they are to be implemented including the means to generate commitment to the standards and procedures.

AMERICAN SOCIAL SECURITY PRACTICE: A PROTOTYPE FOR AUSTRALIA?

Bronwyn McNaughton*

Much of the practice of administrative law is appropriately the realm of non-lawyers and many of the forums of administrative review have, for good reasons, never been intended as lawyers' forums. Nevertheless, lawyers have a part to play but, to date, administrative law in Australia has rarely, if ever, sustained financially a viable legal practice. Even legal practitioners with a genuine wish to focus on a particular aspect of administrative law have commonly had to sustain their practice with traditional (and more lucrative) 'bread and butter' legal work.

It may be that this pattern will change, as American experience may indicate. Administrative law in the United States is a vast and variable spread. Across the range of State and federal government administration there are well-established review systems, in which legal practitioners play an integral role.

The following description of the system within which an American social security law[1] practitioner works may give some insight into what the future could hold for an Australian administrative law practitioner. Some reform proposals are also mentioned.

The effect of contingency fees and statutory fee-shifting provisions is, of course, a matter of some speculation in Australia. The contingent fee is probably the only way private practice in social security law could be supported.

The social security appeals process

Four successive stages of administrative review are available to the American social security claimant.

The *initial application for review* of a decision is made to the Social Security Administration, which then refers the matter to a State government body which has contracted with the federal government to act as its agent and to carry out medical determinations. The usual time taken for a decision is 1-2 months. Applicants are notified of the initial determination in writing. The notice includes information about appeal rights, and usually too at least an outline of the reasons for the determination, although it may not be an adequate document on which to base an appeal. Often it tends to be rather lengthy and claimants may have difficulty in understanding all the information that is provided.

Reconsideration of the initial determination may be sought from the Social Security Administration, which again refers the appeal to a State agency. This usually takes another 1-2 months, and is the least formal of the stages of review.

Typically, neither of those stages involves a personal hearing, unless, for example, it is proposed to terminate benefits.

A hearing before an *administrative law judge* is the next step. In US practice, they are employees of the departments which they serve. In the Social Security Administration, for example, the judge's task is to hear appeals arising out of the administration of the social security portfolio, but not otherwise to engage in the work of the Administration.

The hearing before the administrative law judge is often the only formal hearing within the administrative appeal process. It is not adversarial - no lawyers for the government participate. It is on the record and a detailed decision is generally given. Evidence presented to an administrative law judge will often be in written form - for example, medical records. Typically, the administrative law judge will call, for example, vocational experts who will testify as to the availability of jobs in an area of the transferability of a worker's skills to a lighter kind of work. It would be less usual for the judge to call a physician to the hearing.

Substantial delay may occur at this stage. An appeal might not get before a judge for 4-5 months from the date of filing, and another couple of months can elapse before a decision is handed down. The Supreme Court has ruled that interim benefits need not be paid during this time.

Review of the decision of an administrative law judge lies to the central *Appeals Council* of the Social Security Administration in Washington DC. Basically, the grounds of review by the Appeals Council are abuse of discretion by an administrative law judge, error of law, or a decision which is not supported by the evidence.[2] The effect of these grounds of

review is that the facts found by the administrative law judge are binding unless they are not supported by substantive evidence. This review is conducted on the papers submitted at each of the previous stages and on the basis of the tape recordings of earlier appeals.

Medical evidence is commonly added at this stage. New evidence may be the basis of remand to an administrative law judge; this would be more usual than the case being overturned by the Appeals Council.

The appellate process from here on becomes decidedly judicial.

Once all administrative appeal rights are exhausted, an appeal may be taken to a federal court where the grounds of review are similar to those which apply to the Appeals Council (see above). First, review may be sought in the *District Court*. A de novo review of the decision of the District Court may be sought before the *Circuit Court of Appeals*. From that Court, appeals lie to the *Supreme Court*. Whether the Supreme Court hears a case is, with limited exceptions, a purely discretionary matter for the Court. It most often deals with constitutional questions or matters in which the precedents from the lower courts differ and a final determination of the issue is required. However, major differences in the rulings of the various circuit courts are a feature of the American federal appeal process and will not guarantee that a matter will be heard by the Supreme Court. For example, the evaluation of pain in social security cases varies widely from circuit to circuit as a result of different answers being given to similar questions asked of various circuit courts.

At each stage, there is a 60 day time limit for the lodging of an appeal, which runs from the receipt of the notification of the determination. At the expiration of 60 days, a determination is considered final unless an appeal or a request for an extension of time has been lodged.

The practitioner's role

It is clear that the American social security law practitioner's role, and in all probability the role of any administrative law practitioner, is going to involve a lot of paperwork. It is only the exceptional case that will call for oral advocacy. But this is nothing new for lawyers.

Regular liaison with the administering department is a must. In this way, familiarity with the practices of both the Administration and the administrators is developed. Invariably this assists the resolution of later cases and time spent in this manner is a worthwhile investment.

Funding legal assistance

One of the reasons the practice of administrative law has not developed as rapidly in Australia as it might have, is that many potential administrative law clients, such as social security recipients and housing department clients, are not in a position to fund legal assistance. Community legal centres, largely overworked and underfunded, bear the brunt of such work in Australia. Similar bodies in the US – there called legal services – also play a significant administrative law role. Their high degree of expertise can benefit clients, and make an invaluable contribution to public discussion and policy formulation.

Contingent fees

American legal practitioners have available to them in administrative law practice, as in other areas, the contingent fee. It is the only reason the private practice of social security law takes place. The essence of the contingent fee is that if a case fails or does not proceed to conclusion, there is no payment for the practitioner's time and services. In social security matters, however, the contingent fee is subject to the approval of the Social Security Administration.

Practitioners will usually negotiate a fee agreement with each client at the commencement of any work. Commonly the agreement will secure the the agreed fee and the practitioner's expenses by a lien on the claim and any award.

The law limits the contingent fee in social security practice to 25% of the gross amount of retroactive benefit awarded, subject to the approval of the Social Security Administration. That fee does not include out-of-pocket expenses, such as medical reports, investigative expenses, travel, telephone, copying, and similar incidentals. The most common expense would be medical reports, which might amount to $20–30 per client. In the interim those expenses may have been paid by the client, or borne by the legal or medical practitioner.

Attorney-fee provisions

Social security regulations[3] provide that a representative of a social security client must file (on a standard form) a written fee request for approval, after the completion of the proceedings. A representative who is not an attorney must also describe the special qualifications which enabled him or her `to give valuable help in connection with [the] claim'.

The regulations provide that it is for the Administration to decide the amount of the fee, if any. It would not be unusual for a fee agreement of 25% to be reduced if the hours of work involved were not considered sufficient to warrant the fee. Interestingly, the regulations also provide that, where the representative is an attorney and the client is entitled to `past-due benefits', the Administration will pay the authorised fee, or part of it, directly to the attorney out of the past-due benefits.

Where the representative is not an attorney, the Administration assumes no responsibility for the payment of any authorised fee. This does not appear to operate as a significant disincentive, as most such people already work either as para-legals with a legal firm, or as social workers, psychologists, community workers and so on in a legal services context where they would not be charging a fee for their services in any event.

The regulations set out the factors which are taken into account in evaluating a request for fee approval. Within the framework of `the purpose of the social security program, which is to provide a measure of economic security for the beneficiaries of the program', the following are considered:

* the extent and type of services provided by the representative and the level of skill and competence required;
* the complexity of the case;
* the results achieved; and
* the level of review to which the claim was taken.

The regulations specifically provide that the amount of the fee authorised will not be based on the amount of the benefit alone but on a consideration of all the relevant factors. There is provision too for fees to be authorised even if benefits are not obtained, depending on the nature of the case and the efforts of the representative, but it is unlikely that this provision would operate in practice.

Once a fee determination is made, the Administration notifies the client and the practitioner. An application for review of the determination may be filed by either party within 30 days. The review is conducted by a Social Security Administration official who did not take part in the original determination. The decision on review is final.

Under comparable provisions, a court is able to authorise attorney fees for work in its jurisdiction. The Social Security Administration may pay a court-authorised fee directly to the practitioner out of any past-due amounts.

Proposals for reform

A recent report of the Federal Courts Study Committee[4] recommended (by majority) a new structure, including a Court of Disability Claims to which appeals from an administrative law judge would go. Appeals from that Court would lie to the federal courts of appeal on constitutional claims and questions of law. Few such appeals would be anticipated.

Two reasons were advanced for this proposal. In the first place, the appeals procedure is seen as `cumbersome and duplicative' – `inadequate administrative review [is] followed by duplicative review [by the courts]' – and disability cases are intrinsically factual and technical. As a consequence, the Committee considered that adjudicative resources should be concentrated at the administrative level. The new court could provide `a more thorough and expert examination of the facts than federal district courts can provide'. Given that the facts found by an administrative law judge are binding unless they are not supported by substantive evidence, it would seem that the task of the proposed new court would be to review a decision for the existence of substantive evidence rather than to find facts.

In the second place, the Committee noted that the present appeal process had been criticised as vulnerable to 'unhealthy political control'. The report referred to 'controversial efforts' on the part of the Social Security Administration `to limit the number and amount of claims granted by the administrative law judges', leading to fears that their independence was compromised. The

Committee therefore suggested that an independent agency be set up to employ all federal administrative law judges, or alternatively, to insulate the administrative law judges' decisions from the influence of agency superiors.

The employment of administrative law judges by the very agencies whose decisions the judges will be reviewing is a difficult concept for Australians. At a theoretical level it is hard to see how the independence of such judges could be secured, but in practice the judges are generally perceived as independent. Indeed, administrative law judges themselves have rebelled against attempted control of their position and have even filed suit in the courts in instances where they have considered their integrity under threat. In the social security field they have, over the last decade, repeatedly upheld the rights of claimants against the government; last year alone they reversed the denial of benefits in 62% of the cases that came before them.

Proposals for reform have been made also in relation to the fee approval system. The current system that requires approval of detailed and fully documented fee requests, with a right of subsequent appeal, has been criticized as highly bureaucratic, and productive of further cost. A suggested reform is for automatic payment of a lawyer's fees up to $4,000, with a right of objection by either party. Approval would be required only for fees greater than $4,000. This proposal, if indexed for inflation, would seem to have much to recommend it. It would reduce the costs incurred by both the Social Security Administration and the social security practitioner. At the same time, the salutary effect of fee approval would be maintained, and control would not be relinquished over potential windfall cases where huge benefits might otherwise be obtained for negligible work.

Many of the recommendations of the Federal Courts Study Committee have been picked up by the Judicial Improvements Bill of 1990.[5] The recommendations discussed above and the issues with which they deal, however, have not yet been acted upon.

Postscript

In the course of writing this article it was reported that the Social Security Administration, in an effort to maintain its expenditure within budget limits, had suspended hearings for the month of September for people seeking disability benefits. The Administration monthly pays disability benefits to 4.2 million people: 2.9 disabled workers and their spouses and children. Medicare beneficiaries, some 33 million elderly and disabled people, were also affected. Officials said that they believed this to be the first suspension of hearings ordered because of a shortage of funds. At the time, it was hoped that hearings would resume after 1 October, the beginning of the fiscal year.[6] However, money from a contingent fund was quickly released to avert the disruption of appeals hearings. The Social Security Commissioner was reported to have said that the release of money by the budget office demonstrated that the Administration was `deeply committed to providing quality public service to the American people'.[7]

* Secretary to the Senate Standing Committee on Legal and Constitutional Affairs. The author is grateful for the advice and assistance provided in the preparation of this article by Neil Onerheim, a lawyer who specialises in social security law in Lawrence, Mass.)

1 `Social Security' here refers only to retirement benefits and survivors' and disability insurance (similar to workers' compensation). It does not include other welfare-type pensions, benefits and allowances which, in the US, are administered by the States although they are funded federally.

2 See 20 CFR section 404.970. (CFR stands for Code of Federal Regulations.)

3 See 20 CFR section 404.1720.

4 *And Justice For All*, Brookings Institution, June 1990. The Federal Courts Study Committee was convened by Senator Joseph Biden (Dem - Delaware), Chairman of the Senate Committee on the Judiciary, to make recommendations in regard to the cheaper and more efficient running of the federal court system. The Committee comprised representatives of the major players in the federal court system in addition to members of the legislature, academics and representatives of consumer groups. The report was a prelude to legislation introduced by Senator Biden (see f/n 5).

5 S 2648, superseding S 2027, proposed by Senator Biden, currently the subject of extensive public hearings before the Senate Committee on the Judiciary.

6 `US is suspending hearings on new disability payments', by Robert Pear New York Times, 1.8.90, pp A1,B6.

7 `Budget office releases funds to restore benefits hearings', by Robert Pear, New York Times, 2.8.90 p A14.

Following are the accounts of the Institute, audited by Peat Marwick, Chartered Accountants, and adopted at the Annual General Meeting of the Institute on 26 September 1990.

BALANCE SHEET AS AT 30 JUNE 1990

	Note	1990 $
CURRENT ASSETS		
Cash		1,742
Receivables	2	3,497
TOTAL CURRENT ASSETS		5,239
TOTAL ASSETS		5,239
CURRENT LIABILITIES		
Creditors and borrowings	3	742
Provisions	4	1,243
TOTAL CURRENT LIABILITIES		1,985
TOTAL LIABILITIES		1,985
NET ASSETS		3,254
MEMBERS FUNDS		
Accumulated funds		3,254
TOTAL MEMBERS FUNDS		3,254

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1990

1. STATEMENT OF ACCOUNTING POLICIES

a) HISTORICAL COST

These accounts have been prepared on the basis of historical cost and therefore do not reflect changes in the purchasing power of money or current valuations of non-monetary assets.

b) SINGLE INDUSTRY

The Institute's operations involve a single activity; representing and promoting interest and discussion on matters of administrative law.

c) SINGLE GEOGRAPHIC AREA

The Institute's operations are confined to Australia.

d) INCOME TAX

The principles of tax effect accounting have been adopted in so far as the Institute is taxed only on net income earned from non member sources.

CURRENT ASSETS	1990 $
2. RECEIVABLES	
Sundry debtor	3,497
CURRENT LIABILITIES	
3. CREDITORS AND BORROWINGS	
Sundry creditors	1,503
4. PROVISIONS	
Income tax	1,243

5. INCORPORATION

The Institute was incorporated under the ACT Incorporations ordinance 1953 on 23 March 1990

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 1990

	1990 $
OPERATING REVENUE	
OPERATING SURPLUS	10,158
Income tax attributable to operating surplus	4,497
OPERATING SURPLUS AFTER INCOME TAX	1,243
ACCUMULATED FUNDS AT THE BEGINNING OF THE YEAR	3,254
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR	-
	3,254

*(Additional accounts for 1990, not subject to normal audit)**

INCOME	1990 $
Membership subscriptions	
- Individual	4,560
- Organisations	2,300
- Student	70
- Not in paid employment	40
Interest	233
Conference surplus	2,955
	10,158
EXPENDITURE	
Work processing	2,761
Stationery/postage	1,118
Notices	591
Speakers dinners and executive luncheon	81
Typesetting	1,086
Bank charges	24
	5,661
Operating surplus for the year	4,497
Income tax expense**	1,243
Operating surplus for the year after income tax	3,254

* The following disclaimer accompanied this statement: "The additional financial data presented on the following page is in accordance wiht the books and records of the Institute which have been sujected to the auditing procedures applied in our statutory audit of the Institute for the year ended 30 June 1990. It will be appreciated that our statutory audit did not cover all details of the additional data. Accordingly, we do not express an opinion on such financia data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Australian Institute of Administrative Law) in respect of such data, including any errors or omissions therein however caused."

** The Australian Taxation Office has since confirmed that the Institute is exempt from income taxation.