

office of the
commissioner for

public employment

annual report

2002 - 2003



Office of the Commissioner for
Public Employment

Minister for Public Employment
GPO Box 3146
DARWIN NT 0801

Dear Minister

I am pleased to submit the Annual Report of the Office of the Commissioner for Public Employment for the year ending 30 June 2003 in accordance with the provisions of Section 28 of the *Public Sector Employment and Management Act*.

In doing so, I advise that in respect of my responsibilities as an accountable officer pursuant to Section 13 of the *Financial Management Act* and to the best of my knowledge and belief, the system of internal control provides reasonable assurance that:

- proper records of all transactions affecting the Agency are kept and that employees within my responsibility observe the provisions of this Act, the Regulations and the Treasurer's Directions, and
- procedures within the Agency ensure that at all times effect a proper control over expenditure, receipts and public property are afforded. The Office's Accounting and Property Manual has been updated to provide a full description of such procedures.

In accordance with Section 15 of the *Financial Management Act* the internal audit capacity available to the Office is adequate and appropriate procedures are in place for the development and review of an audit plan. No indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from accounts and records exists.

In my opinion the financial accounts included in the Report for 2002-2003 have been prepared from proper accounts and are in accordance with Part 2 Section 5, and Part 2 Section 6 of the Treasurer's Directions.

As Chief Executive Officer, I have complied with all Employment Instructions issued by me as Commissioner for Public Employment pursuant to Section 16 of the *Public Sector Employment and Management Act*.

Yours sincerely



JOHN KIRWAN
Commissioner for Public Employment
October 2003

the annual report

1 July 2002 – 30 June 2003

This Annual Report is intended to provide Parliament with an account of the Office of the Commissioner for Public Employment's (OCPE) performance against its approved program outputs and budget for the year ending 30 June 2003.

The information presented in this Report has been structured to reflect the:

Role and performance of the Office as an Agency by:

- identifying the strategic role of the Office
- defining the key objectives of the Office and evaluating the extent to which each business area has contributed to the achievement of these objectives.

Sector-wide performance of the Northern Territory Public Sector (NTPS) by providing:

- an analysis of the overall performance of the public sector in terms of human resources
- comprehensive statistical information on the state of the public sector.

OCPE provides the legislative and policy frameworks for the effective development and management of NTPS employees.

As a result, OCPE services a range of clients and stakeholders within the Northern Territory Government in human resource management and human resource development matters.

This Annual Report therefore provides information to all our clients and fulfils our statutory accountability requirements.

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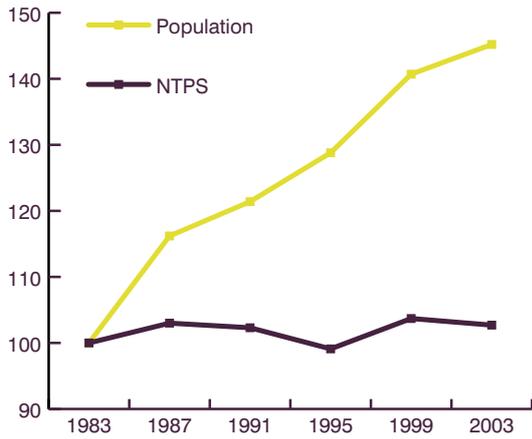
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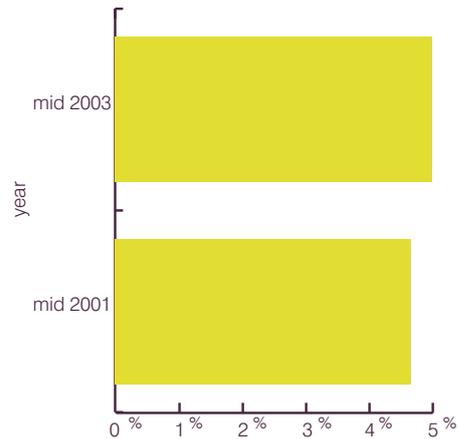
at a glance

Despite rapid growth in the Northern Territory population and labour force, the size of the Public Sector servicing the Territory has hardly changed in 20 years. Recent initiatives have seen a small increase in the number of employees identified as Indigenous.

NTPS vs NT Population

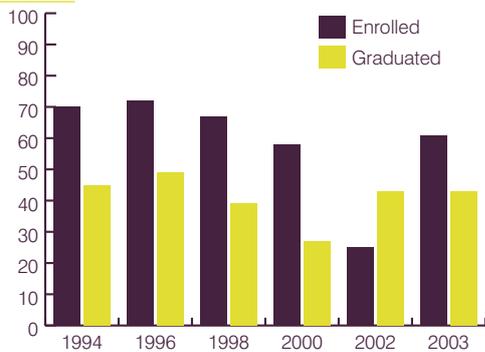


Aboriginal Torres Strait Islander identified in the NTPS

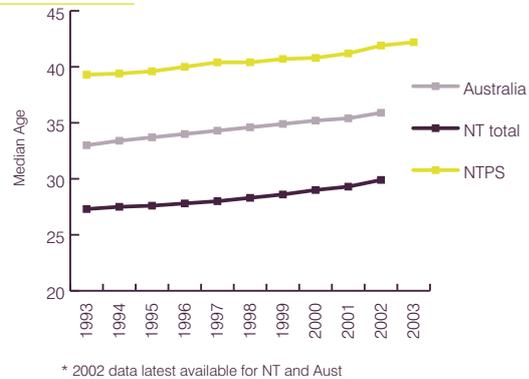


The government is committed to maintaining and improving the skills of management. The gradual ageing of the workforce continues to reflect the demographic of the general population, which is a source of concern.

Participation in Public Sector Management Course

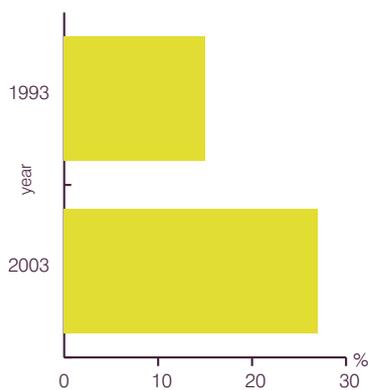


Median Age

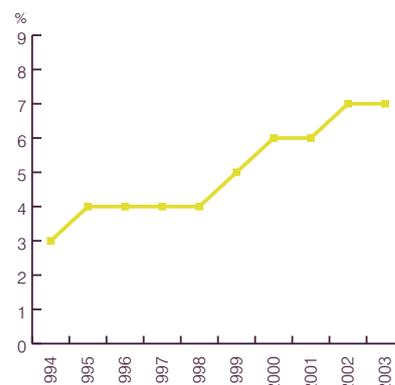


Promotion of the principles of equal employment opportunity (EEO) and provision of flexible work practices are important strategies to assist in attracting and retaining skilled staff.

Women in Executive positions



Permanent part-time employment in the NTPS



commissioner's report

The year 2002-2003 has been busy for the Office of the Commissioner for Public Employment (OCPE). From 1 July 2002 we saw a new focus following the Government's review of the Office as well as new government initiatives, staff vacancies and the pressures that come with having a new Commissioner.

These elements combined to make the Office an interesting place to work but with an increased workload. We have achieved most of our key performance indicators during the past 12 months thanks to the commitment and professionalism of the Office staff. During the past financial year OCPE underwent a minor organisational restructure following the development of the 2002-2005 Strategic Plan. This plan was developed internally and has been released publicly for discussion with our stakeholders. It will be a dynamic document and it will be modified each year to reflect the changing environment in which we operate and to incorporate the feedback we receive.

The restructure was both physical and organisational. OCPE has consolidated most of our staff on the fourth floor of Harbor View Plaza with the Promotion Appeal Board and Grievance Review (PAB and GR) area remaining on the ground floor. Our Senior Consultant in Alice Springs, Ms Erika Sauzier, is based at Belvedere House when not out visiting Northern Territory Public Sector (NTPS) work sites.

During the year we also combined the Leadership Development and Strategic Consulting areas into one Business Area, called Strategic Workforce Development (SWD). This area is under the leadership of Ms Ellen Seymour who was appointed to this new position on the 16 June 2003. The Director PAB and GR position was upgraded to a full time Executive Contract position and we expanded the functions of

the Alice Springs position to have a whole of Northern Territory responsibility for regional, rural and remote workforce issues.

We have had difficulty in recruiting experienced Employee Relations (ER) staff, which has led to the development of a graduate and staff exchange program to address this shortage.

Long serving staff members Ann Jacobs and Anne Martin departed, taking significant corporate history and our best wishes for their new careers with them.

OCPE has developed its own Indigenous Employment and Career Development Strategy (IECDS) to address the under representation of Indigenous staff within the Office. One initiative was the appointment of Ms Wendy Ah Chin as a full member of the Office Management Board to represent the interest of our Indigenous staff and to ensure that all Office discussions and deliberations are also considered from an Indigenous perspective.

In respect to OCPE's role as the lead agency for the NTPS, our vision is 'A skilled, unbiased and creative public sector providing the highest quality services to the people of the Northern Territory.'

OCPE's mission is to develop and implement strategies with our internal and external stakeholders to:

- achieve our legislative requirements
- implement government policies
- acquit the Government's responsibility as the largest employer in the Northern Territory, and
- to become an employer of choice.

The specific outcomes, activities and achievements are outlined in this annual report.

2003-2004 provides us with an opportunity to consolidate the significant Industrial Relations and Human Resources initiatives started in 2002-2003. It will remain busy not only for staff within OCPE, Agency Human Resources staff and NTPS union officials, but also for a wide range of NTPS staff who will be involved in the rolling out of the initiatives that are explained in more detail in this annual report.



John Kirwan
Commissioner for Public Employment

2002-2003 highlights

Remote localities

Northern Territory Public Sector (NTPS) agencies deliver services in 132 locations outside of Darwin, Katherine and Alice Springs. Approximately 13% of Government employees (including Police) are based in these locations. With such a broad geography and sparse population, the NTPS is presented with major challenges in terms of service delivery and professional support for employees in remote localities.

The Government recognised the importance of supporting employees in remote localities by commissioning a review of remote locality working conditions in 2001-2002. The results of the review were presented to Cabinet in January 2003. The review examined all facets of remote locality working conditions, ranging from employment incentives, workforce development and employee housing. In all, the review made 28 recommendations and Cabinet approved the majority of them.

Significant improvements were made to the use of fares out of isolated localities and increases in freight and accommodation allowances were a result of the Cabinet approved changes. The proposed improvements in housing amenity standards and repairs and maintenance were referred to the Departments of Infrastructure, Planning and Environment and Community Development, Sport and Cultural Affairs.

The major remote locality initiative announced by Government was the allocation of \$1million annually toward a dedicated remote workforce development strategy. Government approved the final strategy in June 2003. The strategy contains a range of innovative initiatives to assist all remote area employees in maintaining and developing their skills. Some of these initiatives include:

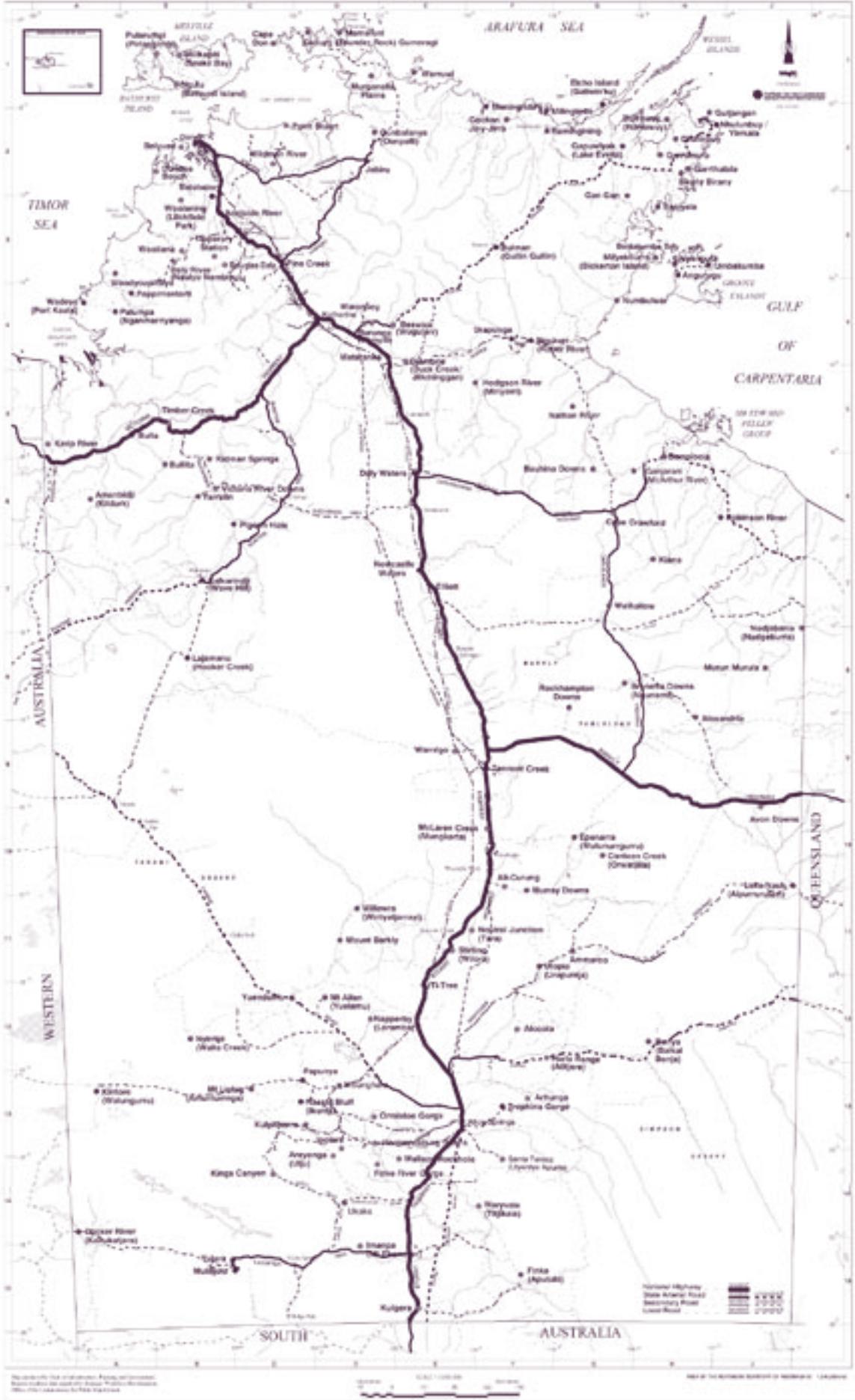
- enhanced agency support services for remote area employees
- the appointment of dedicated Remote Workforce Development Officer within the Office of the Commissioner for Public Employment
- enhanced induction programs
- increased funding for information technology infrastructure and increased access to internet and email
- the introduction of a of a remote employee scholarship program
- graduate employee rotations in remote areas; and
- the trial of a remote employee development hub on a regional basis.

The strategy will be rolled out over the course of 2003-2004 with ongoing reporting and evaluation by agencies.

In the coming year further work will be undertaken by the Remote Locality Working Party to develop:

- a uniform policy for the treatment of utility charges, and
- an effective tool for the measuring of 'remoteness'.

Map of remote localities



NTPS Indigenous Employment and Career Development Strategy 2002-2006

Aboriginal and Torres Strait Islander people comprise 28% of the Northern Territory community and represent an even higher percentage of the major users of government services. However, their representation as employees within the NTPS is estimated to be approximately 5%.

In November 2002, the Minister for Employment Education and Training launched the *Northern Territory Public Sector Indigenous Employment and Career Development Strategy 2002-2006* (IECDS). The IECDS sets a new direction for NTPS agencies to address our commitment to improving the economic, social and cultural position of Aboriginal and Torres Strait Islander people in the Territory. The IECDS will assist agencies to continue the development and implementation of innovative and effective employment and development plans.

The main objective of the IECDS is to improve the employment status of Aboriginal and Torres Strait Islander people. The Strategy aims to achieve this objective by providing a range of appropriate initiatives to support the recruitment, career development and retention of Aboriginal and Torres Strait Islander employees.

Reporting Template for Indigenous Employment Outcomes

To assist agencies in implementation of the IECDS, a comprehensive reporting template on Indigenous employment for agencies has been developed. The reports are collated on a six monthly basis.

Apprenticeship Program (STEP)

An Indigenous Apprenticeship program under the Structured Training and Employment Program (STEP) is being developed for 2003-2008 with the Department of Employment and Workplace Relations (DEWR). This program will be a significant recruitment strategy to increase the number of Aboriginal and Torres Strait Islander people employed in the NTPS.

Kigaruk Indigenous Men's Leadership Development Program

The Kigaruk Indigenous Men's Leadership Development Program is an initiative under the *NTPS Indigenous Employment and Career Development Strategy 2002-2006*.

The word Kigaruk means adult male and has been formally adopted from the Kungaran language.

The Kigaruk pilot program was developed to enhance career opportunities for Indigenous males employed within the NTPS. Kigaruk commenced in June 2003 with 25 participants, representing eight NTPS agencies, from Darwin and Alice Springs.

Kigaruk has been specifically designed to provide a high level, significant learning experience and has two primary objectives:

- to redress the very low numbers of Aboriginal and Torres Strait Islander males in senior and executive positions in the NTPS; and
- to improve access to government services by having a workforce profile that matches the population profile of the Northern Territory.

An independent evaluation of Kigaruk will be conducted at the conclusion of the program. The outcomes will determine future requirements for

similar leadership programs targeting Indigenous male and female employees in the NTPS.

The course is coordinated through OCPE, with study undertaken through the NT University. Formal Graduation is expected in May 2004.

National Indigenous Cadetship Program

The National Indigenous Cadetship Program (NICP) is a career development program, which offers support during, and upon completion of tertiary study opportunities for Indigenous people to be employed in NTPS. Current NTPS Indigenous employees are also eligible to apply for this cadetship.

The NICP involves students studying full time and working in the respective agencies during the major semester breaks as part of the on the job component of the program. Cadets are provided with a mentor throughout the duration of the Cadetship.

There are currently 30 cadets undertaking the NICP in the NTPS. Participating agencies include the Department of Health and Community Services; Department of Infrastructure Planning and Environment; Department of Justice; Department of Employment Education and Training; and Department of Corporate and Information Services.

Indigenous School Leaver Apprenticeship Program

The emphasis of this program is on providing school leavers within the Northern Territory the opportunity to gain a qualification through structured employment and training in the NTPS.

Employment is offered on a 12 month contract

to school leavers from years 10, 11 and 12 and includes both 'on' and 'off' the job learning with a Registered Training Organisation.

There are 13 Indigenous School Leaver apprentices in NTPS. Agencies participating in the pilot program include the Department of Health and Community Services; Department of Community Development; Sport and Cultural Affairs; Department of Infrastructure Planning and Environment; Department of Business Industry and Resource Development; Department of Employment Education and Training; Department of Corporate and Information Services; and Legislative Assembly.

School to Work Apprenticeship Program

The school to work apprenticeship program provides opportunities for Indigenous secondary students to gain skills and workplace experience towards future career development. This experience is gained by completing a part time apprenticeship in the NTPS one day a week whilst attending school.

There are currently 19 apprentices undertaking this program. The agencies hosting the apprentices are: the Department of Infrastructure Planning and Environment; Department of Employment Education and Training; Department of Health and Community Services; Department of Corporate and Information Services; the Office of the Commissioner for Public Employment; and Department of the Chief Minister.

Establishment of an Indigenous Employment Register

The OCPE is currently establishing an Indigenous Employment Register, which will maintain a record of unemployed Aboriginal and Torres Strait Islander people seeking employment

with the NTPS.

Enterprise Bargaining Agreements

Enterprise Bargaining negotiation remains the principal means of achieving workplace reform, increasing productivity and securing salary increases for public sector employees. The following agreements were negotiated and settled during 2002-2003:

- Northern Territory Public Sector 2002-2004 Certified Agreement. This agreement expires August 2004
- Teachers and Educators Certified Agreement. This agreement expires February 2005
- Fire Service Certified Agreement. This agreement expires December 2004; and
- Power and Water Corporation Certified Agreement. This agreement expires August 2004.

All agreements met the objectives of achieving Government policy goals and fiscal restraint while at the same time providing competitive salaries and employment conditions.

Northern Territory Public Sector 2002-2004 Certified Agreement

This agreement provides for a 3% increase in 2002 or \$46 per fortnight (whichever is the greater). Features of the offer include:

- an increase in paid maternity leave from 12 weeks to 14 weeks
- enhanced change management and consultative mechanisms
- a review of public sector grievance, discipline and inability appeal mechanisms; and
- an anti-bullying strategy.

Northern Territory Public Sector

Teachers and Educators 2003 Certified Agreement

This agreement provides for pay increases totalling 9% over two years and includes a 5% increase in February 2003 and 4% increase from the 28 February 2004. All allowances are increased in line with pay increases. This agreement expires in February 2005.

Northern Territory Public Sector Fire and Rescue Service – 2002 Certified Agreement

This agreement provides for lateral entry for firefighters and the implementation, by agreement, of a new career structure. The firefighters received a 4% increase on the 26 April 2002, and a further 3% increase in 2003. This agreement expires in December 2004.

Power and Water 2002 Certified Agreement

This agreement provides for a 3% or \$18 (whichever is the greater) pay increase from September 2002, and a further 3% increase in September 2003. Some features of the agreement include:

- a consolidated disability allowance to be paid for 'all purposes'
- refined call-out provisions relating to separate minimum time after returning home; and
- changed conditions applying to contractors regarding Occupational Health and Safety and work quality.

This agreement expires on the 9 August 2004.

State of the Service

This year is the first full reporting period since the Government introduced *New Public Sector Agency Arrangements* in November 2001. Whilst some major line agencies were largely unaffected by the new arrangements, a number of the other amalgamations have entailed major change and considerable effort to amend and/or develop policies and procedures for the new agency.

Some 15 of the 16 agencies that are required to complete the Agency Reporting Statement in accordance with Section 18 and 28 of the *Public Sector Employment and Management Act* report that they have established processes to ensure application of the principles of human resource management. The one remaining agency, impacted significantly by amalgamation, reports that it will have processes in place by December 2003.

Agencies were also asked to respond to a range of process indicators that demonstrated their progress towards better human resource management practices. This year's reports indicate that every agency is devoting time and resources to achieve better human resource management practices. As indicated later in the report, agencies report 90-98% compliance against this criterion.

The number of agencies reporting that they have updated policies and procedures in the last 12 months has increased slightly this year (38% from 34% in 2001-2002). Again the extent and rate of change within agencies is not uniform but agencies report that development and review of Human Resource policies and procedures is an integral part of the strategic planning cycle.

the agency

Corporate Overview

The Commissioner for Public Employment is located on the fourth floor of Harbour View Plaza on the corner of Bennett and McMinn Streets in Darwin. The Office of the Commissioner for Public Employment (OCPE) occupies both the ground and fourth floors of Harbour View Plaza as well as the first floor of Belvedere House in Alice Springs.

The primary role of the Office is to support the Commissioner for Public Employment's statutory role, as defined in *the Public Sector Employment and Management Act* (PSEMA). The Commissioner is required to provide strategic advice to support the Minister in achieving the Minister's duties under the Act.

The Office identifies emerging issues and provides a strategic focus for collaborative partnerships with Chief Executive Officers on developing a dynamic and highly skilled public sector.

The OCPE has principal responsibility for the following areas of government administration:

- public sector
- industrial relations; and
- development and coordination of public and private employment strategies.

Our Strategic Outcome (Budget Paper No. 3)

The strategic outcome for the Office of the Commissioner for Public Employment, as stated in budget paper number three is to achieve *a dynamic, highly skilled and motivated public sector.*

The strategic issues facing the OCPE in order to achieve a dynamic, highly skilled and motivated public sector are:

- developing, in partnership with agencies and Government, appropriate human resource management strategies to advance the economic development strategy for the Northern Territory as contained in *Building a Better Territory*, to ensure a responsive NTPS.
- negotiating new public sector enterprise bargaining agreements in accord with Government strategic directions and budget limitations.
- identifying and introducing national and international expertise in human resource management, organisational development and adult development practices to help inform the NTPS of emerging contemporary practices that have application in the NTPS.
- implementing and evaluating policies and practices that emphasise equity, diversity and flexibility of employment conditions, including career management for Indigenous people, trainees and cadets.
- implementing and evaluating modern adult learning programs that meet the needs of the NTPS and agencies.
- developing flexible learning options and management support systems that recognise the Territory's unique needs for distance management and development.
- ongoing development of programs that foster a culture of continuous learning, Quality Management, leadership and workforce planning within agencies.

Our values

In dealing with our clients and colleagues our actions are based on:

- respect and consideration
- shared ethics, professionalism and accountability
- fairness, equity and diversity
- encouragement and support for innovation; and
- continuous learning and sharing of knowledge.

Our vision

Our vision is for a skilled, unbiased and creative public sector providing the highest quality services to the people of the Northern Territory.

Our mission

In order to achieve our strategic outcome, and to realise our vision, we aim to develop and implement strategies with our internal and external stakeholders to:

- achieve our legislative requirements
- implement government policy
- acquit the government's responsibility as the largest employer in the Northern Territory; and
- become an employer of choice.

Legislative Framework

The Office of the Commissioner for Public Employment, on behalf of the Minister is responsible for administering the following Acts, and associated subordinate legislation:

- *Annual Leave Act*
- *Long Service Leave Act*

- *Police Administration Act (Part III)*
- *Prisons' (Arbitral Tribunal) Act*
- *Public Employment (Mobility) Act*
- *Public Holidays Act*
- *Public Sector Employment and Management Act*
- *Public Sector Employment and Management Act (Transition and Savings)*
- *Public Sector Employment (Interim Arrangements) Act.*

The Public Sector Employment and Management By Laws dealing with remote locality working conditions were amended during the reporting period to give effect to reforms arising from the NTPS Review of Remote Locality Working Conditions. These amendments provided greater flexibility to employees wishing to utilise fares out of isolated localities and freight allowance.

Public Sector Determinations

The Commissioner for Public Employment makes Public Sector Determinations in accordance with Section 14 of the *Public Sector Employment and Management Act*.

Determinations made by the Commissioner are particularly useful for dealing with employment issues that may have specific characteristics that are not covered by the current legislation. For example, special arrangements have been made for the remuneration of NTPS employees posted to East Timor. Standard remuneration arrangements do not recognise the hardships and unique circumstances of the posting, consequently, a Commissioner's Determination was issued to authorise additional allowances.

Determinations are issued as either a 'General' or 'Restricted' series. The former applies to

the Public Sector generally, or to a particular class of employee, while the latter applies to individual or small groups of employees. General Determinations are available to all agencies and employees and may be viewed on the OCPE web site, www.nt.gov.au/ocpe. Restricted series Determinations are made available only to the relevant agency and/or employee.

The Commissioner issued a total of 16 general series determinations during the reporting period. The majority of these dealt with rates of pay and allowances. Other issues included the terms of the National Indigenous Cadetship Program, remote locality working conditions and the terms and conditions of employment for Aboriginal interpreters.

A total of 82 restricted series determinations were issued during the reporting period. The determinations provided for issues such as:

- market allowances for hard to recruit employment categories
- half pay maternity leave
- special leave arrangements
- income maintenance; and
- temporary employment contracts.

Public Sector Instruments

The Commissioner has authority to approve specified administrative actions within the terms of the *Public Sector Employment and Management Act* (PSEMA). These powers of approval may be delegated to another officer (usually a Chief Executive Officer) in accordance with the *Interpretation Act*. These delegated powers are specified within Public Sector Instruments, which cover such areas as approval to appoint without advertising and approval to renew periods of temporary employment in certain

circumstances. Delegation of these powers allows more flexible and streamlined administrative action.

Three Public Sector Instruments were issued during the reporting period. These Instruments covered the following subjects:

- appointment without advertising of employees who have successfully completed Indigenous Cadetships
- approval to renew temporary employment for certain nursing designations; and
- the revocation of an instrument to approve employment beyond age 65 years.

Government Policy Directions

A major reform announced by the Government in December 2002 was the removal of compulsory age retirement from the PSEMA. Since its inception in 1993, the PSEMA has specified that an employee who attains the age of 65 must retire from permanent employment with the NTPS.

Compulsory age retirement has been removed from public sector legislation within all other Australian jurisdictions. The change now brings the NTPS into line nationally. The change also recognises an impending shrinkage in the Australian Labour market due to retirement of the baby boomer generation and falling fertility rates. These developments are forcing employers generally to implement strategies to retain valuable mature age employees in the workforce.

In announcing the proposed reform, the Government approved the introduction of transitional arrangements permitting employees aged 65 years and over to remain employed, pending finalisation of amendments to PSEMA. These transitional arrangements were enacted through a Public Sector Determination (No. 10 of 2002).

Following the Government's decision, OCPE undertook an extensive research and consultative phase prior to the preparation of an amendment Bill.

A major outcome of this phase was the recognition that all references to age retirement should be removed from the PSEMA. Cabinet approved this proposal and the Bill was subsequently tabled in the June 2002 sittings of the Legislative Assembly.

Role and Functions of the Agency

The key roles and functions of the OCPE are to:

- provide sound and timely advice to Government on all aspects of human resource issues affecting the sector
- support Chief Executive Officers and their agencies to develop relevant human resource management policies and practices
- advise Chief Executive Officers on the implementation of policies and practices
- represent the interests of the Northern Territory Government in workplace negotiations and tribunal hearings as the statutory employer
- coordinate sector-wide training and development programs
- resolve employee grievances through appropriate review and appeal mechanisms; and
- provide leadership and guidance in the above matters across the sector.

Corporate governance

Corporate governance refers to the system of checks and balances between the board,

management and staff to ensure the organisation is properly directed and managed at all levels. It describes the structures through which the objectives are set, and the means of attaining those objectives while monitoring performance.

Our Minister



The Minister responsible for the Office of the Commissioner for Public Employment is the Honourable Sydney James Stirling MLA - Member for Nhulunbuy.

In addition to being the Deputy Chief Minister and Leader of Government Business, Minister Stirling's other Ministerial responsibilities are:

Treasurer

Minister for Employment, Education and Training; and

Minister for Racing, Gaming and Licensing.

In terms of the administration of the *Public Sector Employment and Management Act*, the duties of the Minister are defined under Section 6.

These duties provide clarification of the role relationship between Minister Stirling and other Ministers, and with the Commissioner for Public Employment. The Minister's principal duty is to provide advice to other Ministers on any aspect of human resource management and structural changes aimed at improving the efficiency and effectiveness of Public Sector operations.

The Commissioner



John Douglas Kirwan started as the Commissioner for Public Employment on the 1 July 2002. John joined the NTPS from the WA Public Service. He spent the last 10 years as a Senior Executive Service Officer

with the WA Director of Public Prosecutions Office and the Health Department of WA. John has held a range of Senior Human Resource, Operational and Change Management roles during that time. Prior to joining the WA Public Service he was a full time union official for 14 years in the health and banking unions.

In taking up the role of Commissioner for Public Employment John has acknowledged the solid foundation in the NTPS of good Human Resources and Industrial Relations systems. This foundation provides a good base for the development of new and enhanced programs in areas like Aboriginal Employment and Women in Management and Leadership.

Role and Functions of the Commissioner

The principal functions of the Commissioner is to provide leadership to the OCPE and its staff and to promote the development and observance of the highest standards of human resource management throughout the NTPS.

The Commissioner fulfils the role of employer, under Section 13 of the *Public Sector Employment and Management Act*. The OCPE is responsible for establishing policy and practice frameworks for the management of all public sector employees.

The OCPE provides Ministerial advice at one level and, at another, assists Chief Executive Officers in their specific operational management responsibility for employees.

Management Board

The OCPE Management Board comprises the functional heads of each business area within the Office. The Board members are the:

- Commissioner
- Director, Employee Relations
- Director, Strategic Workforce Development

- Director, Promotions Appeal Board and Grievance Review
- Manager, Corporate Services
- Manager, Information Management
- Executive Consultant, Alice Springs; and the
- Indigenous Employment Consultant, Employee Relations.

The Board meets fortnightly and is committed to ensuring that the highest standards of integrity, ethical behaviour, transparency and accountability are practiced in all decision making. Each Board Member is responsible for chairing a meeting on a rotating basis.

The board plays a critical role in ensuring the effective performance and accountability of the Office by:

- ensuring the Office has clearly established goals and objectives
- ensuring strategies for achieving goals and objectives are appropriate and understood by management and staff
- identifying, analysing and mitigating risks to OCPE; and
- monitoring quality control systems and where necessary, implement corrective action to improve the OCPE systems and performance.

Board decisions are conveyed to staff at regular staff meetings and through internal mail broadcasts. These staff meetings are conducted at whole of office, business area and unit levels. The minutes for each meeting is published on the OCPE's intranet page, and is accessible by all staff.

The Commissioner meets with staff in each business unit on a quarterly basis. These meetings serve as a forum for the Commissioner

to ensure that all staff members are aware of the strategic direction of the Office and to allow staff to express their views on any issues affecting their daily work.

In addition to the quarterly business unit meetings, the Commissioner has individual meeting with each staff member on a regular basis.

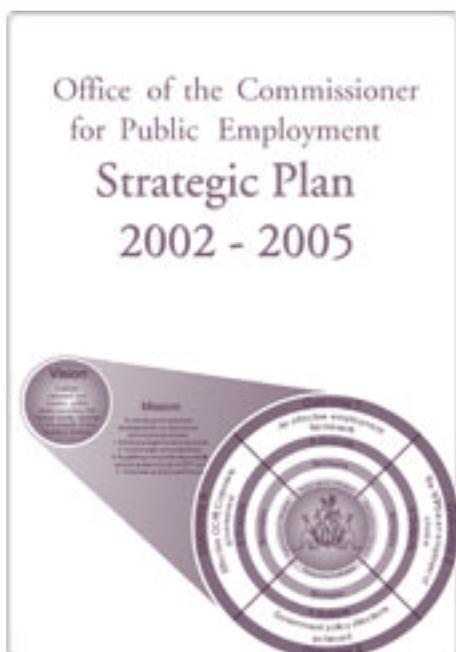
Strategic Plan 2002-2005

A review of the OCPE strategic plan was conducted through the year in line with the 2002-2003 strategic outcome for the Office for “*a dynamic, highly skilled and motivated public sector*”.

The review of the Strategic Plan has resulted in four outcomes for OCPE:

- an effective employment framework
- the NTPS is an employer of choice
- government policy directions achieved; and
- effective OCPE corporate governance.

Business plans have been developed by each business unit within OCPE to identify how the four outcomes will be achieved. These business plans link directly back to the OCPE Strategic Plan and, consequently, to the overall Outcome for OCPE.





Outcome 1

An effective employment framework

Outputs

Merit and Equity regime
 Ethical Standards
 Occupational Health and Safety
 Workforce Management
 Industrial Relations services
 Human Resource monitoring, evaluating and reporting
 Statutory obligations fulfilled
 Workforce policy development, advice and implementation.

24 strategies have been developed to achieve the above outputs.



Outcome 2

The NTPS is an employer of choice

Outputs

Workforce Knowledge management
 Building organisational effectiveness
 Workforce planning
 Workforce development
 Workforce leadership and management
 Workforce policy development, advice and implementation

24 strategies have been developed to achieve the above outputs.



Outcome 3

Government policy directions achieved

Outputs

Industrial Relations service
 Public Sector employment
 Workforce policy development, advice and implementation
 Whole of Industry Workforce Policy
 Co-ordination

9 strategies have been developed to achieve the above outputs.



Outcome 4

Effective OCPE corporate governance

Outputs

Knowledge management
 Financial management (including Procurement)
 Workforce management
 Performance monitoring and reporting

25 strategies have been developed to achieve the above outputs.

Linked business plans and key performance indicators have been developed for each of the Outcomes.

Our organisation Profile and Key Contacts

<p>John Kirwan Commissioner for Public Employment Executive Unit Staffing – 2</p>		
	<p>Theo Tsikouris Director Employee Relations Staffing – 21</p>	<ul style="list-style-type: none"> • Industrial Relations • Prison Officers and Police Tribunals • HRM Strategic Policy • Central Redeployment and Redundancy function • Aboriginal Employment Strategy • Job Evaluation System • International Labor Organisation issues • Disciplinary/Inability Appeals Board Secretariat
	<p>Ellen Seymour Director Strategic Workforce Development Staffing – 12</p>	<ul style="list-style-type: none"> • Leadership development programs • Organisational Reviews • Human resource development policy and advice to agencies and other clients • Capability and succession planning • Research
	<p>Erika Sauzier Acting Central Australia Representative (Executive unit) Staffing – 1</p>	<ul style="list-style-type: none"> • Strategic ER policy advice • Deployment and redundancy function for the region • Promotion Appeals and Grievances • Research and develop workforce policy options • Labour inspectorate • Assist with the implementation of government policy initiatives
	<p>Tanya Murphy Manager Information Management Staffing – 2</p>	<ul style="list-style-type: none"> • Information Management • Record management strategies • Information technology environment • Websites • Publications management
	<p>Ron Gibson Acting Manager Corporate Support Staffing – 4</p>	<ul style="list-style-type: none"> • OCPD Personnel Services • Staff Development • Financial Management • Office Services • Records Management
	<p>Lee Berryman Director Promotions Appeal and Grievance Review Staffing – 3</p>	<ul style="list-style-type: none"> • Promotion Appeals • Section 59 Grievances <p>(The Promotions Appeal Board is co-located in the OCPD for administrative purposes.)</p>

Our staff

The organisational profile on the preceding page represents the structure of the organisation and key responsibilities of each business area.

As at 30 June 2003, the OCPE comprised a total of 56 staff. This figure represents all employees currently attached to the OCPE, including employees on leave as at 30 June.

OCPE Staff by Gender and Classification

Year	00-01			01-02			02-03		
	F	M	Total	F	M	Total	F	M	Total
AO1	1	1	2	-	-	-	2	0	2
AO2	5	1	6	5	0	5	3	0	3
AO3	10	1	11	3	1	4	6	1	7
AO4	11	3	14	7	1	8	5	1	6
AO5	1	1	2	-	-	-	2	0	2
AO6	18	4	22	6	1	7	11	2	13
AO7	7	7	14	5	5	10	8	4	12
AO8	3	2	5	2	2	4	3	3	6
EO1	2	1	3	1	1	2	-	-	0
ECO1	-	-	-	1	1	2	2	0	2
EO2	0	0	0	-	-	-	0	1	1
ECO2	1	2	3	0	1	1	0	1	1
ECO5	-	-	-	-	-	-	0	1	1
ECO6	0	1	1	0	0	0	-	-	-
Total	59	24	83	30	13	43	42	14	56

The above table reflects all staff employed within OCPE as at the 30 June 2003.

Conflict of Interest

It is the responsibility of Agency staff to declare any conflicts of interests that may impact on the undertakings of their duties as an employee of the NTPS. To ensure that OCPE were aware of any real or perceived conflicts of interests, an internal audit was conducted of senior Agency staff.

The audit identified the nature of the conflict and the action required to remedy it. As a result, a Conflict of Interest Registry was established to update and maintain all cases arising throughout the year. The register gives the Commissioner an opportunity to review all cases and determine what course of action to take.

OCPE has registered seven cases where a perceived conflict of interests has occurred in the reporting period.

One such case occurred when the Commissioner was asked to provide policy advice to the NT Treasury and the Australian Tax Office in relation to allowances for transfer determined under the *Public Sector Employment and Management Act*. At the time the Commissioner was a recipient of the allowance and as such, delegated this task to the Director of Employee Relations to avoid any perceived conflict of interests.

Additionally, a number of cases have been raised in the Grievances Review process where the aggrieved has indicated that they do not want their case to be heard by a particular member of the Grievance Review Board. Under such circumstances the case is delegated to another staff member for hearing.

The Commissioner has noted all registered conflict of interests and any necessary action has been taken to ensure they are eliminated.

Staff separations through the year

Staffing within the Office throughout the year was relatively stable with only 10 employees ceasing employment. Of the 10 separations through the year, five employees resigned, and five employees completed their employment contracts.

Performance Management

The performance management system was reviewed during the year, with performance agreements developed between the Commissioner and Minister. These agreements then cascaded down to agreements between the Commissioner and business unit Directors. These agreements included the requirement for Directors to performance manage their staff. The agreements have direct links to the Strategic and Business plans.

Equal Employment Opportunity

OCPE is fully committed to the principles of

equal opportunity within all areas of employment, promotion and professional development.

This commitment extends to all current employees through access to employment entitlements as well as to potential employees by ensuring that equal opportunity principles are applied during all recruitment and selection processes.

The Office values the diversity of the employees. Productivity and creativity of the Office is enhanced by the involvement of a diverse range of employees and making full use of those differences contributes to good business management practices.

The Office promotes itself as a family friendly organisation and promotes the availability of flexible work practices.

OCPE received one grievance, no sexual harassment and no promotion appeals during the reporting period.

Occupational Health and Safety

OCPE follows the 10 point Occupational Health and Safety Management Plan. To enable an assessment of where OCPE was in relation to the 10 points, and to identify areas for improvement, a Hands On Guide was completed. The Department of Corporate and Information Services conducted the assessment, which was later followed up by a workplace inspection. The inspection forms part of the programed audit for OCPE. All of the recommendations from the audit were accepted and the majority had been completed within the reporting period.

The OCPE Fire Wardens received training and an evacuation fire drill was carried out. Some staff received training in ergonomic risk assessment and can set up workplace stations to suit the individual needs of the staff.

As part of the Occupational Health and Safety Management Plan a flu vaccination program was introduced during the year. This vaccination

was free to staff with 16 employees taking the opportunity to receive the injection. An assessment of the benefits will be conducted once comparable data is available.

Training to conduct a security audit was completed and appropriate security measures were implemented throughout OCPE.

The Well, Well, Well program (Well Mind, Well Body, Well Workplace) and handy hints emails continued during the year and were well received by staff.

The Well, Well, Well program began in 2001, when the Occupational Health and Safety Committee initiated (with the support of Management Board) a series of one hour sessions to give OCPE staff members information on various health issues.

There was a variety of minor accidents/incidents during the year, where possible corrective measures were taken to ensure no further occurrences.

Three Government vehicles were involved in road accidents and action to recover the total cost of \$9,600 is being pursued.

Industrial Relations

No Industrial Relations matters arose within the Office in the reporting period.

Lines of responsibility and accountability to Government

The Office of the Commissioner for Public Employment is a central agency working in partnership with both central and operational agencies contributing to the development of the Northern Territory through the provision of human resource management and development frameworks to support agencies to achieve their objectives.

Ethical Framework

The Principles contained in Part 2 of the *Public Sector Employment and Management Regulations*

establish an ethical framework for employment and management in the sector. Inherent within the Principles are the underlying philosophies of Merit, Equal Employment Opportunity and Natural Justice. These Principles constitute standards against which policies, procedures and other initiatives can be measured at agency and sector-wide levels.

As the statutory employer and the organisation responsible for the *Public Sector Employment and Management Act*, OCPE endeavours to ensure transparent adherence to these standards and philosophies underpinning and guiding the performance of all our functions.

OCPE Representation on External Committees

OCPE staff participate in a number of national, external and internal communication networks and discussion forums. These forums include:

Public Service Commissioners Conference

The Public Service Commissioners of all Australia and New Zealand jurisdictions meet every six months. The Commissioner for Public Employment is the NT representative. The objective is to report on current activities, share information and to discuss items of interest.

PSETA Public Services Training Package (PSTP) Review Steering Committee

The PSTP Review (re-development, validation and production) is coordinated through a project consultant, managed by the PSETA secretariat on behalf of the Board, and overseen by a national steering committee. Throughout the review period 2002-2003, twice yearly, face to face meetings, and teleconferences report to the Commissioner and PSETA executive.

Batchelor Institute of Indigenous Training and Education HR Committee (BIITE)

The Human Resource Management Committee has responsibility for advising BIITE's Council on matters relating to human resource management policy and practice within the Institute. The Commissioner for

Public Employment is the chairperson of this committee.

Indigenous Women's Round Table

The Working Party meet quarterly to assist the Northern Territory Government advance social and economic planning for Indigenous women; and will extend the leadership opportunities available to Indigenous women in the NTPS.

Women's Policy Round Table

The Women's Policy Round Table brings together representatives from all relevant government agencies to facilitate across-agency information sharing on Government priorities and programs for women.

The group meets quarterly and has primarily been focused on the development of the framework that outlines Government's priorities and commitments for Territory women.

Alice Springs Regional Coordination Committee

The Regional Co-ordination Committee meets biannually. The Committee chair provides an update on all major issues in the region. Each committee member presents an agency update and raises any issues for the committee.

Education Consultative Council (ECC)

The Education Consultative Council is to provide a forum for consultation between the Department of Employment, Education and Training, the Office of the Commissioner for Public Employment and the Australian Education Union (NT), on the issues related to the implementation of:

- certified agreements
- professional matters
- work practices
- conditions of employment
- resource management issues; and

- human resource development matters of mutual concern.

The ECC meet once each school term, or less if all parties agree. At least one meeting per annum is held in a centre outside of the Darwin and Palmerston area.

Strategic Workforce Issues Action Group (SWiAG)

SWiAG comprises representatives from all key NTPS agencies. The group meets on a monthly basis. Their aim is to identify, develop and implement initiatives and strategies that contribute to an effective and collaborative workforce development strategy for the central region. The forum maintains a strategic focus on the issues of recruitment, workforce development and retention in the central region, with an emphasis on rural and remote workforce issues and Indigenous employment models.

DCIS HR Reference Group

The Department of Corporate and Information Services (DCIS) Human Resources Reference Group consists of experienced Human Resource practitioners from all major employing agencies. The Group does not have a set agenda or meeting schedule but meets as necessary to discuss issues that are, or may, impact on the provision of DCIS services.

Inter-Departmental Committee

The Youth Affairs Inter-Departmental Committee is comprised of representatives from all key NTPS agencies. The committee meets quarterly, with the aim to:

- monitor and report on the implementation of the Northern Territory Youth Policy
- share information among Northern Territory Government agencies with respect to youth related policies, programs and services; and consequently
- identify any gaps or overlaps in service delivery areas in which collaborative initiatives can be explored.

Finance Managers Forum

The Finance Managers Forum comprises representatives from all NTPS agencies to discuss current financial issues, finance systems, reporting deadlines and changes in standards. These forums are used primarily by DCIS and Treasury to discuss the financial requirements of agencies. The outcomes of these forums are reported monthly to the OCPPE Management Board.

Procurement Reference Group

The Procurement Reference Group comprises representatives from all NTPS agencies to discuss and implement procurement reform across the whole of government. The outcomes of these forums are reported monthly to Management Board.

Working for Outcomes

The Working for Outcomes Group comprises representatives from all NTPS agencies to discuss and to explain budgeting and reporting theories and requirements used to measure performance within the Working for Outcomes framework. The outcomes of these forums are reported quarterly in the Output Quarterly Reports circulated to all business unit managers.

GAS support workshop

This group provides support sessions available for agency staff to get assistance and raise issues with the Department of Corporate and Information Services relating to the operation of the Government Accounting System. The outcomes of these sessions are evident in the production of relevant timely Financial Statements.

Human Resource Committee

This group comprises representatives from all NTPS agencies to discuss various employment and recruitment strategies such as early careers, apprenticeships and other new initiatives.

DHCS Joint Consultative Council

The Department of Health and Community Services Joint Consultative Council (DHCS JCC) is comprised of equal numbers of the

Department's executive and representatives from all of the unions with members working in the agency.

The DHCS JCC meets quarterly to:

- discuss HR and industrial relations issues
- exchange information relating to employment within the Department, and negotiate reform and change management initiatives.

Northern Territory Government Public Relations and Marketing Group

The purpose of the group is to share information, ensure a united approach to marketing across government, and provide an opportunity for networking amongst government marketing and public relations staff.

The group had a formal role up until the closure of the Communications Office two years ago. Northern Territory Government (NTG) marketing and communications officers decided to continue the group as it was a valuable networking opportunity.

Northern Territory Government Web Group

The NTG Web Group provides a forum for website managers from each agency to share information on current issues affecting the management and security of NTG web sites. The group meets on an ad-hoc basis as issues arise.

Northern Territory Government Information Officers Group

The NTG Information Officers Group comprises the Information Officers from each NTG agency. The main focus of the group is to share knowledge and discuss issues relating to the provision of information under the NT Information Act. This group meets on a monthly basis.

NT Police Fire and Emergency Services, Continuous Improvement Program

The Commissioner for Public Employment is a member of the Continuous Improvement Steering Committee. The terms of reference are to:

- determine the level of service required and assess what is currently being delivered
- analyse and review existing Northern Territory Police policies, practices and procedures as they relate to the delivery of policing services
- analyse and review the effectiveness and efficiency of existing structures, work performance and practices
- examine other police jurisdictions to determine current best practice; and
- analyse and review existing resources to ensure the Northern Territory Police are 'fit for purpose' to meet the requirements of policing under the *Purpose and Direction Strategy*.

Government Strategic Priorities

The role of OCPE in relation to the objectives and actions in each of the government's strategic priority areas is both principal and supporting, in terms of assisting other agencies achieve their objectives. The Commissioner has a critical role in providing appropriate employment conditions and employee capability frameworks enabling objectives to be achieved.

Audits

OCPE has had two types of audits conducted by the Northern Territory Auditor General; a Compliance Audit and a Performance Systems Management Audit.

A Compliance Audit focuses on how well the Chief Executive Officer (CEO) has implemented systems that achieve the financial management and accountability requirements set out in various Northern Territory legislation.

A Compliance Audit was conducted in the reporting period with two audit issues being identified, namely that Treasurer's Directions 2.1 and 2.2 which were not included in the Accounting and Property Manual.

A Performance Systems Management Audit provides for the Auditor-General to focus on how agencies manage achievement of their objectives. This takes into account economy, efficiency and effectiveness, with reference to systems of corporate planning, and of strategy implementation, monitoring and reporting.

A Performance Systems Management Audit on monthly internal reporting was conducted but the results were not known prior to the end of the reporting period.

Prizes, Awards and Scholarships

OCPE continues to support the development of young Territorians as employees through structured employment and training programs such as cadetships, traineeships and graduate programs.

OCPE sponsored one young person in Public Administration to attend Institute of Public Administration Australia's national conference.

Following the retirement of Anne Martin from the NTPS, the Commissioner announced that a scholarship would be offered in recognition of Anne's valuable contribution to the Public Sector. The intention of the scholarship is to provide an annual opportunity for NTPS employees serving in rural areas of the Northern Territory to enhance their employee relations skills and experience by working in a central agency environment for a period of three months.

OCPE also sponsored two Northern Territory University (NTU) students studying industrial relations at the Northern Territory Industrial Relations Conference.

OCPE co-sponsored the position of Chair of Governance at NTU. This sponsorship was in recognition of the cooperative partnership between NTU and the OCPE, and of the importance of a strategic approach to governance and public administration in the NTPS.

In addition, OCPE sponsored two NTU awards:

- The Most outstanding student in the Human Resource Management unit for \$300, and
- The highest overall performance in the Diploma in Business for \$100.

Equity and Diversity Awards 2002

The Commissioner's Awards for Equity and Diversity, co-sponsored by the Institute for Public Administration Australia, Northern Territory (IPAA NT) is an annual event that highlights successful agency programs aimed at achieving an equitable and diverse public sector that is representative of the Northern Territory community at all levels of employment and enables employees to combine work, life and family responsibilities.

The 2002 Awards saw a total of 14 nominations received from agencies, the winners were:

Open Category Winner

Department of Health and Community Services, Nightcliff Renal Unit for "Aboriginal Health Worker Renal Training Program"

Regional Winner

Department of Infrastructure, Planning and Environment, Alice Springs Desert Park for the "Alice Springs Desert Park Indigenous Apprenticeship Program".

Special Winner

Department of Health and Community Services, Provider Support Unit, Family and Children's Services (FACS) as core partner of Cooperative Research Centre for Aboriginal and Tropic Health, for "Aboriginal Child Protection Advisor (ACPA)".

Encouragement Award for 2002

Department of Health and Community Services, Central Australian Alcohol and Other Drug Services for "Pathways to Dimensional Learning Program".

performance reports

Corporate Management

Corporate Support

Outcome 4: Effective OCPE

Corporate Governance

Output 3: Workforce Management

Achievements 2002-2003

Number of staff by level who attended a variety of training throughout the year

Level	Short courses/ workshop	Alumni Series	OH & S	IPAA/ AHRI/ AIM Events	National Conferences	Study Assistance
Executive	2	4		3		
AO8	3	3		4		1
AO7	13	2		7	1	2
AO6	18	10	1	14	4	3
AO5	1					
AO4	13		4	5		2
AO3	14	1	1			
AO2	4		1			1

Corporate Support coordinated a variety of activities during the reporting period in order to manage recruitment, retention, staff development and training.

Information Technology Training included:

- Getting the Most out of Microsoft Excel
- Introduction to CorelDraw
- e-Learning Realities; and
- Records Management Basics Using Tower Records Information Management (TRIM)

In order to assist employees with their reporting requirements Corporate Support provided training on Government Accounting System (GAS) and Job Cost. All staff involved in budget management were offered training on managing budgets and purchasing procedures and account payment. This training included:

- Accounts Receivable Wizard

- Purchase Order Wizard
- Workbench Introduction
- Job Cost Introduction/Budgets/Inquiries
- Taxation Seminar; and
- CPA Budgeting for Outputs and Outcomes

A number of seminars were attended including:

- Organisation Events/Seminars
- Imagination and Innovation At Work
- The Future of Public Administration in Australia and Overseas

- Meet the CEO Series
- Governance in the Public Sector; and
- Becoming an Employer of Choice

A number of conferences were attended:

- National IPAA Conference
- Industrial Relations Society (IRS) National Convention

- Work Life Issues ‘Building Blocks for the Future’; and
- Australian Human Resource Institute (AHRI) National Convention

As a result of the *Indigenous Employment and Career Development Strategy* (IECDS) Aboriginal Cross Cultural Awareness Training was mandated for all staff.

An IECDS Committee was formed with a representative from each business area and are reviewing the recruitment policy to incorporate additional outlets for advertising vacancies.

Study assistance was provided for employees studying a range of courses from Public Sector Management Program to a Master of Public Administration.

Workplan 2003-2004

Corporate Support will continue to provide quality support services to OCPE across office, financial and training areas.

Information Management

Outcome 2: NTPS is an Employer of Choice

Output 1: Workforce Knowledge Management

Achievements 2002-2003

During the Office’s Strategic Planning process it was identified that a Communication and Marketing Plan was required. The Plan was approved in April 2003. During this process, it was determined that a dedicated Communications and Marketing position was required to manage the Plan and co-ordinate all the Office’s Communication and Marketing initiatives and activities. The position was approved, advertised and filled by June 2003.

During 2002-2003 the Information Management business area has been involved in the marketing and communicating of major OCPE strategies,

such as the Indigenous Employment Career Development Strategy and the NTPS Bullying Survey.

Work Plan for 2003-2004

Future activities for Information Management include:

- upgrading to XP Operating Systems and XP Office suite
- assessing the benefits or issues on Fat versus Thin-client environment
- fine tuning the implementation of the *Information Act* within OCPE
- implementation of the Communication and Marketing Plan; and
- creation of a new corporate style guide for OCPE.

Employee Relations

Outcome 1: An Effective Employment Framework

Output 1: Merit and Equity Regime

Achievements 2002-2003

Over the reporting period considerable effort and resources were devoted to consultation with individuals and groups leading to the development of the NTPS Indigenous Employment and Career Development Strategy (IECDS) 2002-2006. The Minister for Employment, Education and Training formally launched the strategy in Parliament House in November 2002.

In association with implementation of the sector-wide IECDS, a National Indigenous Cadetship Program (NICP) policy framework was finalised. The NICP involves students studying full time and working in participating agencies during semester breaks as part of the on the job component of the program. There are currently 30 cadets undertaking the NICP in the following

agencies: Department of Health and Community Services; Department of Infrastructure Planning and Environment; Department of Justice; Department of Employment Education and Training; and Department of Corporate and Information Services.

In 2002-2003 Employee Relations (ER) consultants reviewed and updated the NTPS Merit Selection Policy. ER Consultants also monitored the application of the selection processes across all NTPS agencies and provided advice to all aspects of Merit Selection.

Employee Relations Consultants also provide advice to agencies and individual employees on all aspects of the application of natural justice to ensure that persons exercising powers and functions under the *Public Sector Employment and Management Act* are aware of the rules of natural justice.

Work Plan for 2003-2004

Consultation and negotiation will continue with the Federal Department of Employment and Workplace Relations (DEWR) to finalise an agreement for the introduction of an Indigenous Apprenticeship Program. The program, under the Structured Training and Employment Program (STEP) will be a significant recruitment strategy to increase the number of Indigenous people employed in the NTPS.

Work will continue on the Kigaruk program, a developmental program for Indigenous male employees.

In 2003-2004 an Indigenous employment 'tool kit' will be developed to assist employers and potential employers, in both the public and private sector, to recruit, retain and support Indigenous employees. The tool kit will be developed following a series of Indigenous employment forums in the regional areas of the Territory and will include information which has been identified as being useful for employers to recruit and retain Indigenous people.

A further initiative in 2003-2004 will be to work collaboratively with government and Indigenous community stakeholders to develop best practice Indigenous employment measures. This initiative will involve undertaking research, establishing partnerships with stakeholders and developing practical material to assist NTPS agencies develop and implement effective Indigenous employment and career development strategies.

Employee Relations consultants will continue to monitor NTPS recruitment and selection practices to ensure application of the merit principle.

Outcome 1: Effective OCPE Corporate Framework

Output 2: Ethical Standards

Achievements in 2002-2003

During the reporting period, Employee Relations (ER) consultants have attached a high priority to monitoring ethical behaviour sector-wide and providing advice to agencies and individuals on application of the Code of Conduct.

Where requested, consultants have provided presentations on the Code of Conduct to groups of agency staff.

ER consultants have also provided presentations on the Code of Conduct and ethical standards as part of the sector-wide induction program.

As part of their advisory services, consultants continue to provide advice to agencies and individuals on all aspect of the NTPS disciplinary and inability processes.

Work Plan for 2003-2004

At the Government's direction, the provisions of the NTPS Code of Conduct will be emphasised by the development and implementation of a standardised template for the declaration of financial and other interests. The template will provide a structured, comprehensive and transparent process for the notification of any existing or potential conflict of interest of CEOs and particular employees.

ER consultants will work with agencies to develop best practice policy and guidelines for the conduct of criminal history checks.

Following introduction of the *Information Act 2002* on 1 July 2003, the *Public Sector Employment and Management Act* and subordinate legislation will be reviewed to ensure conformity between the two Acts.

Outcome 1: Effective OCPE Corporate Framework

Output 3: Occupational Health and Safety

Achievements in 2002-2003

Following terrorist attacks in the United States of America and Bali, and the shooting of a South Australian government Minister, all Australian jurisdictions have increased emphasis on developing policy and procedures to minimise both personal and physical risk in the work place. During the reporting period the Office has put the following measures in place:

- membership of an interagency task group to review and report on personal and physical security within the NTPS
- development and distribution of an interim Workplace Security Handbook for NTPS agencies
- organisation of Crime Prevention Through Environmental Design (CPTED) courses to provide agency representatives with the skills to conduct security risk assessments within their workplaces; and
- NTPS agencies now have an increased awareness of the threat to personal and physical security and have implemented measures to control access to workplaces.

Work Plan for 2003-2004

Work will continue to enhance both personal and physical security including:

- coordination of CPTED courses tailored to individual agency requirements
- work with the interagency task group to finalise the Workplace Security Handbook and to develop further strategies to minimise the

personal and physical security threat to NTPS agencies

- work with specific agencies to develop strategies to minimise the personal and physical security threat to employees working in regional and remote areas; and
- contribute to the NTG submission to the Productivity Commission Inquiry into National Workers Compensation and Occupational Health and Safety Frameworks.

Outcome 4: Effective OCPE Corporate Governance

Output 4: Workforce Management

Achievements in 2002-2003

Redeployment and redundancy

In the reporting period voluntary retrenchment was accepted by 22 employees (11 male and 11 female). Two redeployees were placed in agencies and one employee was notified to this Office under Section 41 of the *Public Sector Employment and Management Act*.

Since this Office's development and implementation of more stringent criteria for the notification of potentially surplus employees, the number of redeployees listed for placement has reduced to a small number of genuine cases.

Application of more stringent criteria has required agencies to accept a greater level of responsibility in managing individual cases. This Office has supported agencies by providing advice and guidance on improved case management.

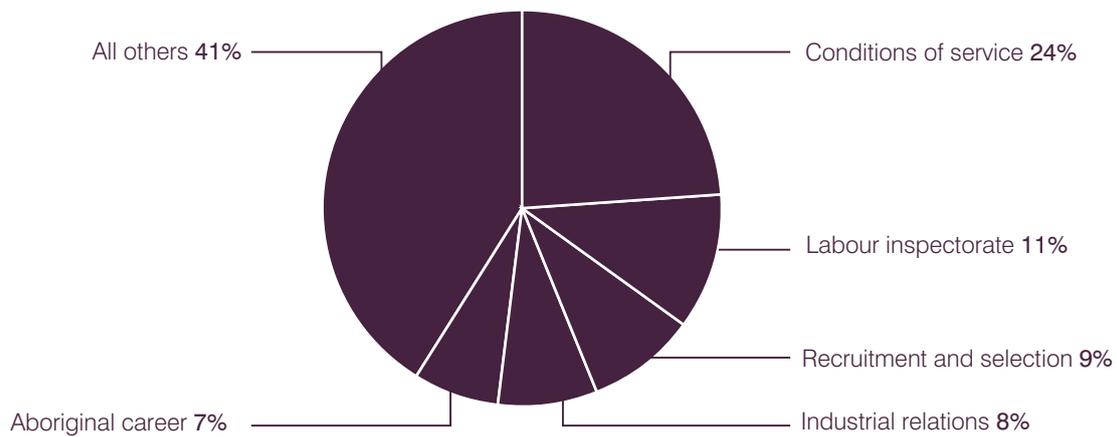
Advisory Services

Due to complexities in accurately capturing and recording advisory services data, the information provided is estimated to be between 25-35% understated and in some cases based on self assessment. Work will be done over the next 12 months to develop a more accurate and effective reporting tool.

During 2002-2003, Employee Relations consultants registered 3,641 pieces of advice provided to a range of clients.

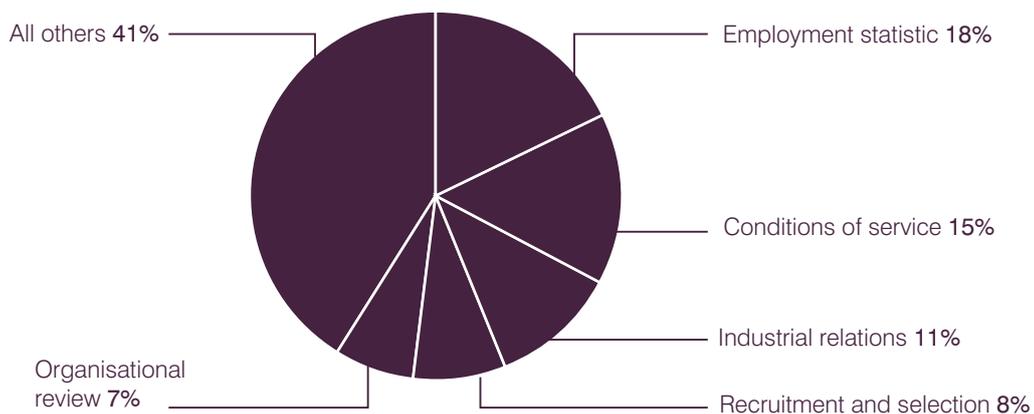
Major areas of advice were Conditions of Service 24%; Labour Inspectorate 11%; Recruitment and Selection 9%; Industrial Relations 8% and Indigenous Employment and Career Development Strategy (IECDS) 7% as shown in Figure 1.

Figure 1: Areas of Frequently Provided Advice



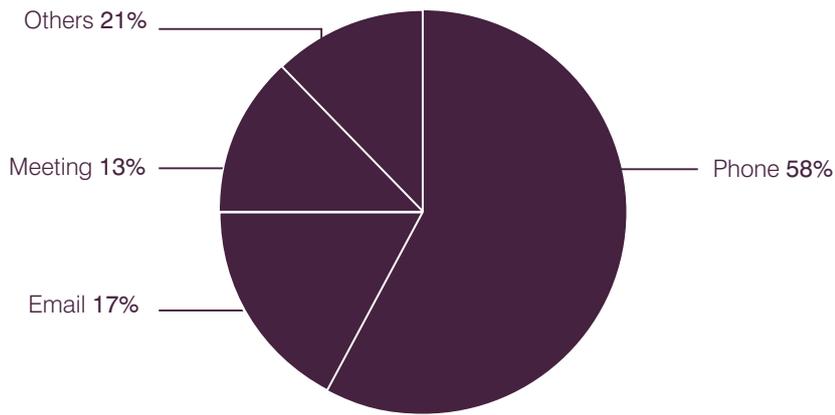
The actual time spent providing the advice results in a different ranking, with the major areas becoming Employment Statistics 18%; Conditions of Service 15%; Industrial Relations 11%; Recruitment and Selection 8% and Organisational review 7% as shown in Figure 2.

Figure 2: Time Spent on Major Areas of Advice



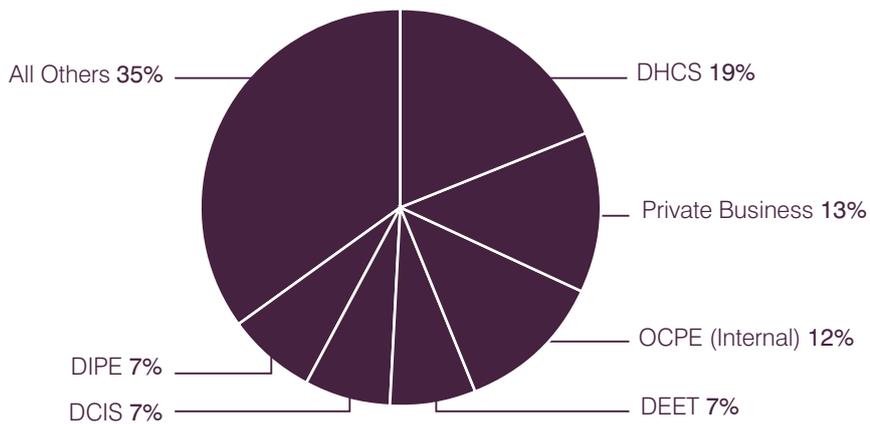
The majority of enquiries received by Employee Relations have been by telephone 58%, by email 17% and by meetings 13% as shown in Figure 3.

Figure 3: Mode of Enquiries Recieved



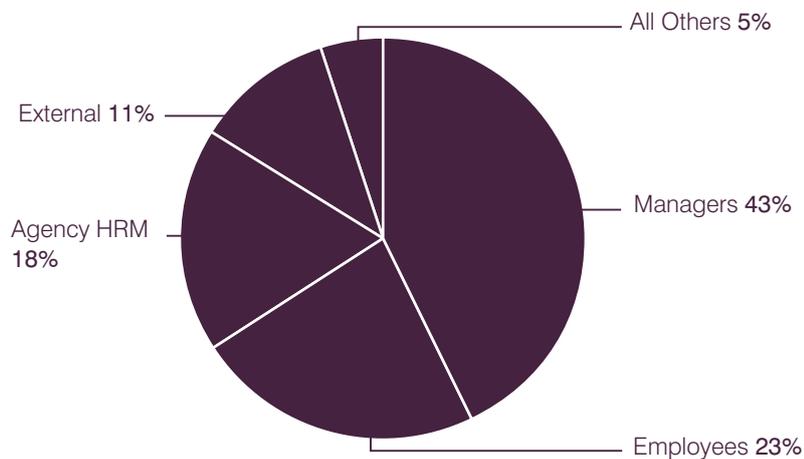
The main agencies/organisations in receipt of Employee Relations advice were DHCS 19%; Private Business 13%; OCPE 12% and DEET, DCIS and DIPE with 7% each as shown in Figure 4.

Figure 4: Agencies that are Major Recipients of Advice



The main recipients of Employee Relations advice were Managers 43%; Employees 23%; Agency HRM 18% and External 11% as shown in Figure 5.

Figure 5: Major Recipients of Advice

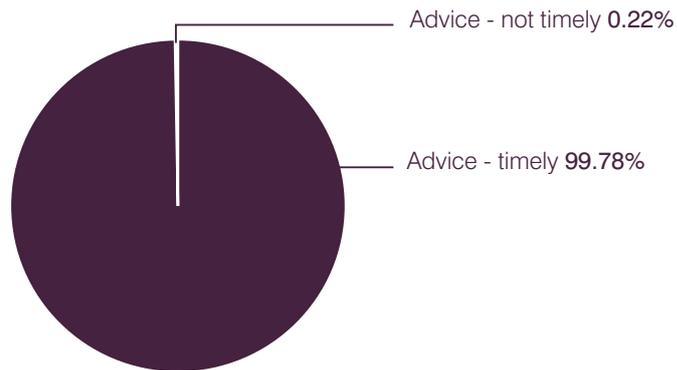


Performance Measure

Timeliness:

3,633 pieces of advice (99.78%) provided by Employee Relations consultants were handled in a timely manner. The remaining eight pieces of advice (0.22%) provided by Employee Relations consultants were listed as not meeting the timeframe (in most cases this delay was due to the complexity of the matter) as shown in Figure 6.

Figure 6: Advice Provided in a Timely Manner

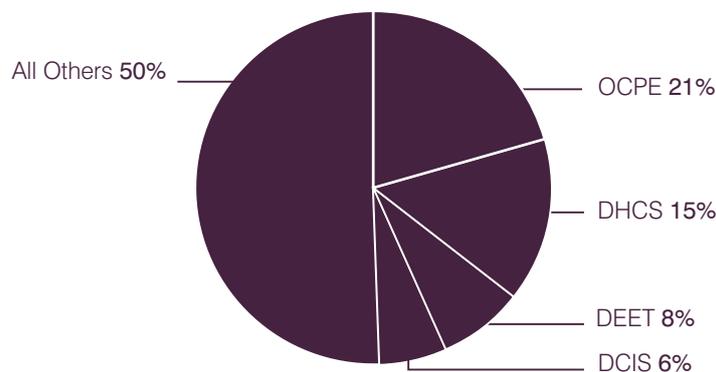


Consultants spent 3,965 hours giving advice. Approximately 19% of the total time worked in Employee Relations was spent providing advice.

In terms of the most frequent time period advice is given – 36% of all Employee Relations advice is of a 15 minute or less duration.

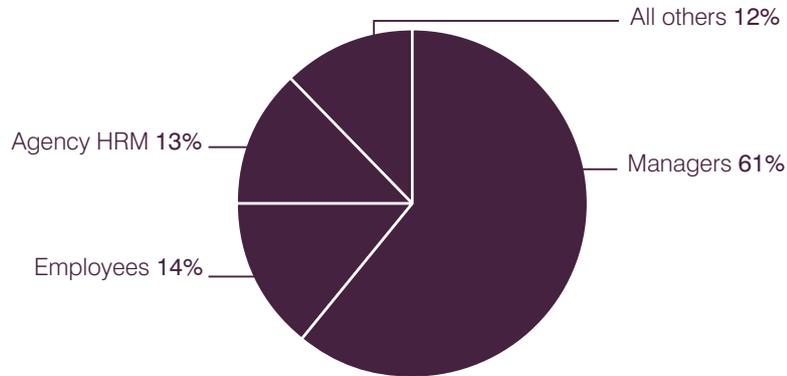
The main agency recipients of advice that consumed the most time (out of the 3,965 hours for the 2002-2003 financial year) were: OCPE (852 hrs) 21%; DHCS (576 hrs) 15%; DEET (304 hrs) 8% and DCIS (228 hrs) 6% as shown in Figure 7.

Figure 7: Agency Recipients of Advice that Consumed the Most Time



The main recipients of advice that consumed the most time (out of the 3,965 hrs for the 2002-2003 financial year) were: Managers (2,427 hrs) 61%; Employees (568 hrs) 14%; Agency HRM (501 hrs) 13% as shown in Figure 8.

Figure 8: Recipients of Advice that Consumed the Most Time

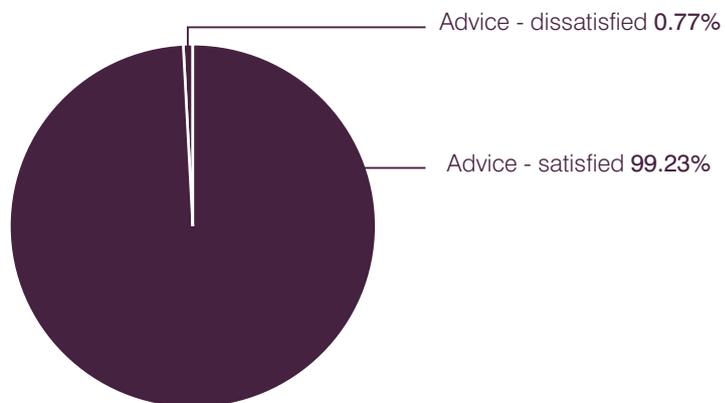


Performance Measure

Quality:

99.23% of all clients were satisfied with the quality of advice provided by consultants whereas 21 (0.77%) clients were rated as dissatisfied with the advice given to them as shown in Figure 9.

Figure 9: Level of Advice Satisfaction



Of the 3,641 queries answered by consultants, 68% (2,476) were of a basic nature. Responding to these basic queries represented 42% of the total time spent providing advisory services, as shown in Figures 10 and 11.

In comparison, the remaining 32% (1,165) of the queries answered were of a complex nature. These complex queries represented 58% of the total time spent providing advisory services.

Figure 10: Nature of Advice

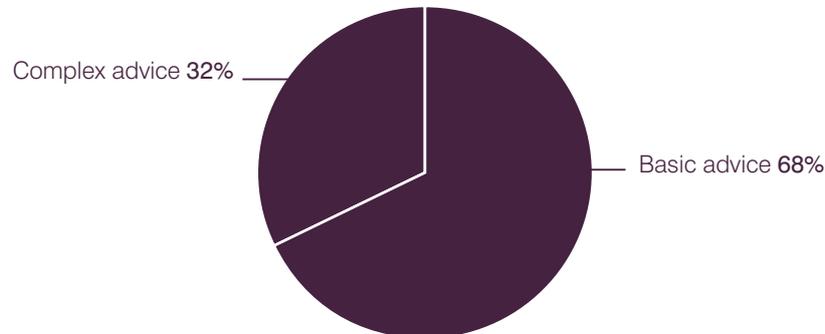
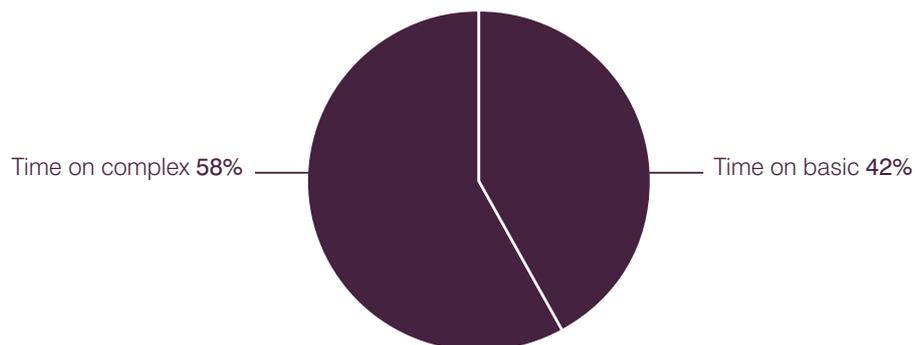


Figure 11: Time Spent on Type Advice



Public Sector Consultative Council

The *Public Sector Employment and Management Act* provides for the establishment of the Public Sector Consultative Council (PSCC) and the Regulations (Part 4) define the role and functions of the PSCC. The function of the PSCC is to consider such matters of general interest in relation to the Public Sector as are referred to it by the Commissioner. The PSCC then reports to and makes recommendations to the Commissioner. The Council is chaired by the Commissioner for Public Employment and has equal agency management or union representation. The PSCC meets as necessary having regard to the nature and value of business to be considered.

Regulation 26 provides for the establishment of standing committees or working groups to assist the PSCC by considering the needs of particular occupational groups in the public sector.

Currently three working groups are in operation to consider issues relating to:

- remote locality conditions
- Indigenous employment and development; and
- equity and diversity.

The PSCC met once during the reporting period.

Work Plan for 2003-2004

Issues for consideration by the PSCC for the 2003-2004 year include the:

- review and update of the NTPS redeployment policy
- discussion and negotiation of issues for inclusion in the agenda for new EBAs to be negotiated; and
- development or modification of systems to capture more useful and accurate advisory services statistical information.

Outcome 1: An Effective Employment Framework

Output 5: Industrial Relations Services

Achievements in 2002-2003

The Northern Territory Police Arbitral Tribunal is constituted under the authority of Part III of the *Police Administration Act*. The Tribunal has the power to determine the terms and conditions of employment for members of the Northern Territory Police Force. The Office of the Commissioner for Public Employment provides secretariat support for the Tribunal. The Tribunal comprises a chairperson and two members, following amendments to the *Police Administration Act* in early 2002. The inaugural hearing of the reconstituted Tribunal was conducted in July 2002. A further two hearings have since been conducted where the Tribunal considered nightshift provisions and the payment of Northern Territory Allowance.

The Northern Territory Prison Officers' Arbitral Tribunal and Senior Prison Officers' Arbitral Tribunal are constituted under the authority of the *Prisons (Arbitral Tribunal) Act*.

Both Tribunals have the power to determine conditions of service for prison officers. The OCPE provides secretariat support for both Tribunals. Two matters came before the Tribunal in 2002-2003. These two matters were the prison officers' consolidated allowance and the

provision of meals and costs at the Alice Springs Correctional Centre.

A review of remote locality working conditions was conducted in 2001-2002 with the findings reported to Cabinet in January 2003. The review examined all facets of remote locality service, ranging from employment incentives, workforce development and employee housing. A majority of the 23 recommendations have been approved by Government. A more comprehensive coverage of the Remote Locality Working Conditions Review is provided in the features section of this report.

The process of simplifying awards as required by the *Workplace Relations and Other Legislative Amendments Act* has been completed. During the process the number of awards reviewed and simplified has resulted in a reduction of the total awards have application in the NTPS to 18.

A number of working parties were formed arising out of the NTPS 2002-2004 Certified Agreement as follows:

- maternity leave
- salary sacrifice packaging
- grievance, discipline and inability appeal processes
- aggression in the workplace
- translators and interpreters leave
- automatic payment of annual leave loading
- recreation leave credits recorded in hours
- cashing up of airfares on a common date; and
- school based administrative workloads.

Whilst this working party is chaired by the Department of Employment, Education and Training, OCPE has provided input by reviewing job descriptions and identifying jobs or clusters of jobs that have had significant variation in work value. These jobs will then be evaluated under the Job Evaluation System.

To address a shortage of nurses in the Northern Territory, the OCPE worked with the Department of Health and Community Services to arrange the recruitment, of 50 Philippine nurses. Documentation, including employment and repatriation details were resolved to the satisfaction of the Philippine Government, the Northern Territory Government and the Australian Nursing Federation.

OCPE worked with Department of Health and Community Services to prevent a dispute with the Australian Liquor, Hospitality and Miscellaneous Workers Union (ALHMU) at the Royal Darwin Hospital. The issue was settled by agreement to restructure the Food Services Section of the Hospital. The review will be completed in the new year.

Employee Relations consultants worked with Department of Employment, Education and Training and the ALHMU to prevent an industrial dispute by school maintenance officers. The various parties resolved to carry out a review of the work value of the maintenance officers. The review has commenced.

The Employee Relations unit has made a significant contribution to an inter-agency working group examining government employee housing amenity standards, rental policy and tenancy management. Chaired by the Department of Community Development, Sport and Cultural Affairs, the working group is expected to make recommendations to the Government in September 2003.

In response to a claim by the Australian Nursing Federation for an increase in the rate of payment for on-call allowance payable to nursing staff,

OCPE staff prepared extensive submissions to the Australian Industrial Relations Commission (AIRC) on the claim. The Federation's claim was later withdrawn following an increase in the allowance awarded to all NTPS employees by the Commissioner for Public Employment.

OCPE Staff have been involved in consultations concerning the proposed restructure of the Northern Territory Government Library and Information Services. Ongoing advice is provided on a range of change management processes.

OCPE staff chair the Professional Issues Working Party and were responsible for development and coordination of a sector-wide professional issues survey. A draft report is currently being prepared and will be considered by the working party in September 2003.

Industrial Relations Disputes Dealt with by OCPE
Statistics relating to the resolution of industrial disputes are summarised below:

- AIRC was formally notified of 18 disputes
- OCPE staff resolved nine disputes prior to appearance before AIRC; and
- OCPE Staff have appeared a total of 38 times before either the AIRC, Police Arbitral Tribunal or the Prison Officers Arbitral Tribunal.

Some of the issues dealt with include:

- a dispute over supplementary air supply for firefighters
- a competency based progression for the firefighters career structure
- a review of remote locality conditions; and
- employment arrangements for lecturers Prisoner Education and increased on call allowance.

There have been a total of four safety net increases to awards.

OCPE staff sought exemptions from the Australian Industrial Relations Commission (AIRC) on two private sector awards and regularly monitors common rules (approximately 80-100 annually). In the Northern Territory and Australian Capital Territory 'Common Rule' awards can apply to all employees in a particular industry whether or not their employees are named in the award.

The Office provides Labour Inspectorate and advisory services to private sector employees and employers pursuant to the Northern Territory *Annual Leave Act*, *Public Sector Holidays Act* and *Long Service Leave Act*. A total of 415 requests for assistance and advice were received in the reporting period.

The Minister has appointed eight Investigation Officers with one located in Alice Springs to deal with these inquiries. Inquiries resulted in a total of 11 formal investigations being undertaken during the reporting period, eight investigations under the *Long Service Act* and three investigations under the *Annual Leave Act*.

Of the eight *Long Service Act* investigations, three have been completed. Two investigations resulted in employers meeting their obligations under the Act. The other was a case of insolvency, which was redirected for consideration under the Federal Government's General Employee Entitlements and Redundancy Scheme, which is administered by the Department of Employment and Workplace Relations. In June 2003, five *Long Service Act* cases remain in progress.

All three investigations under the *Annual Leave Act* have been finalised. Two cases resulted in a finding that the employer had not breached the Act. The investigation into the other case found that the employer had met their obligations under the Act. There were no outstanding cases in June 2003.

The OCPE coordinated the negotiation of arrangements for the transfer of staff from the merger of Centralian College and the Northern Territory University. This transfer was achieved to the satisfaction of all parties.

The OCPE provided advice and AIRC representation in relation to several cases involving termination of employment.

The OCPE assisted in resolution of a dispute over security arrangements at the Museum and Art Gallery of the Northern Territory for a Monet painting.

The OCPE presented argument at the AIRC and subsequently settled a dispute in relation to electricity changes for teachers residing in Alyangula.

Work Plan for 2003-2004

Over the coming 12 months considerable time and resources will be devoted to the negotiation and introduction of various initiatives arising from enterprise bargaining agreements. These include:

- full implementation of the recommendations of Remote Locality Working Conditions Review, including further analysis of remote area employee utility charges and locality categorisation methodology
- finalising EBA working party deliberations and implementing recommendations
- finalise reports and implement findings of the Royal Darwin Hospital Food Services Section and School Maintenance Officers reviews; and
- coordinate a review of superannuation arrangements for new employees.

Outcome 1: An Effective Employment Framework

Output 6: HR Monitoring, Evaluation and Reporting Practices

Achievements in 2002-2003

The introduction of several new employment practices across the NTPS indicates a need to enhance current evaluation and monitoring measures. Following a review of current measures, several areas where productivity improvements could be achieved were identified. As a result OCPE staff have:

- OCPE developed a framework for agency reporting against Section 18 and 28 of the *Public Sector Employment and Management Act* and for reporting on employee development initiatives
- developed biannual reporting template for agency Indigenous employment and career development activities
- requested agencies to provide details on remote area employment and employee development initiatives; and
- commenced publishing quarterly NTPS staffing statistics on the OCPE website.

Inter-jurisdictional liaison and cooperation has taken place to benchmark a range of employment relations practices including recruitment and retention, job evaluation, occupational health and safety. For example, personal and physical security and response to the SARS epidemic.

Work Plan for 2003-2004

OCPE will work closely with agencies to further refine reporting requirements to maximise the use of the data collected while at the same time minimising the imposition on agency staff.

Information and data collected will be:

- used as basis to develop strategies to enhance

regional and remote area recruitment and retention; and

- analysed and utilised to inform further development of the Indigenous Employment and Career Development Strategy 2002-2006.

In addition agency employee relations and development initiatives in other jurisdictions will be monitored and evaluated with the aim of enhancing sector wide HR planning.

Outcome 1: An Effective Employment Framework

Output 7: Statutory Obligations Fulfilled

Achievements in 2002-2003

During the reporting period the Office received a total of 79 submissions requesting selection without advertising pursuant to Section 30(1)(b) of the *Public Sector employment and Management Act* (PSEMA). Of the 79 submissions, 58 (74%) were approved. The remaining 21 submissions were declined.

OCPE received a total of 30 submissions requesting transfers with a reduction in salary pursuant to Section 35(5) of the PSEMA. All submissions were approved.

Work Plan for 2003-2004

The incidence of 30(1)(b) requests and the delegation to approve such selection will be reviewed to ensure that all submissions are in accordance with PSEMA and adequate justification for each submission is provided.

Outcome 1: An Effective Employment Framework

Output 8: Workforce Policy Development, Advice and Implementation

Achievements in 2002-2003

As indicated elsewhere in the report, the

Government has directed that action be taken to require CEOs and their nominated employees to make known any conflict, or potential conflict between their private interests and official duty. In response to the Government's direction the OCPE:

- researched and developed a draft sector wide policy for chief executive officers and employees to complete a declaration of financial and other interests where those interests may, or may appear to, conflict with the employee's official duties; and
- reviewed and updated NTPS policy on counter disaster preparations, particularly arrangements for the closure of government schools and offices.

Job evaluation

The Mercer Cullen Egan Dell Job Evaluation System (JES), introduced in 1991, remains the principal method of job evaluation and classification in the NTPS. The OCPE has overall policy responsibility for the system. The licensing agreement with the proprietors requires that Mercers undertake annual audits of the JES. The 2002-2003 audit examined 48 jobs and found:

- the high standard of evaluations and job evaluation records had been maintained
- classification outcomes were extremely sound
- there had been an improvement from the previous audit findings
- during the reporting period nursing classifications were incorporated into the NTPS JES; and
- in January 2003 a presentation on the JES was given to a delegation from East Timor.

Executive Contract Management

The Office of the Commissioner for Public Employment sets policy and manages executive contracts in the NTPS. The Executive Contract

Officer (ECO) structure consists of six levels from ECO1 to ECO6.

Executive contracts apply to all employment at the ECO2 level and above, with executive contracts available at the ECO1 level for specific jobs that require specialist skills or are in the hard to recruit to category. Executive contracts apply also to Executive Contract Principals (ECP1A to ECP3) and Power and Water Corporation executive managers.

A standard set of terms and conditions has been developed for ECO1 to ECO4, principals and executive managers. Appointment on these terms and conditions is the responsibility of Chief Executive Officers.

However, terms and conditions outside the standard must be approved by the Executive Remuneration Review Panel, which consists of:

- Commissioner for Public Employment
- Chief Executive Officer, Department of the Chief Minister; and
- Under Treasurer.

Jobs at the ECO5 and ECO6 levels, including their remuneration package arrangements, require approval by the Chief Minister.

Following a review in 2002, to enhance good governance and transparency, the Executive Remuneration Review Panel implemented formal procedures for determining variations to executive contract officer remuneration and for creating Executive Contract Officer 1 (EC01) positions.

Total Contract Value	Female	Male	Total
<\$150,000	77	208	285
\$150,000 to <\$200,000	16	72	88
>\$200,000	5	28	33
Total	98	308	406
Percentage	24%	76%	100%

Work Plan for 2003-2004

- conduct a comprehensive review of the PSEMA to enhance currency and effectiveness
 - implement the Conflict of Interest policy and requirement for CEOs and particular employees to declare their financial and other interests where those interest may conflict, or appear to conflict, with their official duties
 - assess critical job evaluation issues for inclusion in Mercer's 2002-2003 audit
 - research and develop policy on mature age employment
 - develop or amend existing employee relations guidelines to ensure compatibility with the *Information Act*; and
 - conduct review of executive contract officer provisions and administrative arrangements.
- edition one of On Equal Terms Newsletter
 - edition one and two of Cooee Newsletter
 - OCPE participation on a number of agency working groups and provision of advice on a diverse range of employment related issues; and
 - development of a communications strategy to disseminate information on a wide range of projects including the remote locality review and implementation of the Indigenous Employment and Career Development Strategy.

Outcome 2: The NTPS is an Employer of Choice

Output 1: Workforce Knowledge Management

Achievements in 2002-2003

OCPE closely monitors national and international trends in employment to ensure best practice people management practices. This analysis assists in identifying ways of initiating improvements and innovations within the NTPS. Work undertaken by the office included:

- consultation with agencies to identify topical employment relations issues and provision of a quarterly forum in which these issues are discussed by NTPS agency Human Resources representatives; and
- publication of a range of EBA and other Employee Relations bulletins including:
 - 16 EBA Bulletins
 - edition one of New Territory Newsletter

Work Plan for 2003-2004

Over the coming 12 months OCPE will:

- research and publish a regular Employee Relations Newsletter
- review the Terms of Reference for Human Resources Forums and develop strategies to enhance coverage, both in attendance and content
- liaise with experts in the field of employment relations with a view to their presenting at Human Resources Forums, thereby enhancing knowledge across the sector.

Outcome 2: The NTPS is an Employer of Choice

Output 2: Building Organisational Effectiveness

Achievements in 2002-2003

OCPE provides specialist advice to Chief Executive Officers (CEOs) and agency managers on strategies to build organisational effectiveness. This advice and assistance has been of particular significance within the context of ongoing organisational change arising from the Government's *New Public Sector Agency Arrangements*. OCPE has:

- conducted a review of the organisational effectiveness and provided advice on change management for the Department of the Legislative Assembly, Department of Employment Education and Training, Ombudsman and Health Complaints Commission
- provided advice on the job design and classification issues for executive level management in the Department of Health and Community Services
- provided advice to agency Chief Executives and senior management on organisational restructuring, employment relations and change management; and
- participated in Northern Territory Police Fire and Emergency Services Continuous Improvement Program through the participation of the Commissioner on the Executive Leadership Group.

Work Plan for 2003-2004

Over the next year OCPE will continue to contribute to the building of agency organisational effectiveness through:

- finalisation of a comprehensive review of human resource management in Northern Territory Juvenile Detention facilities including the Don Dale Centre, the Wildman Wilderness Camp and the Southern Region Holding Centre. The review will incorporate an evaluation of structures, staffing, rosters and remuneration
- provision of advice to agencies on the job design and classification issues; and
- provision of advice and assistance to the Commissioner of Police and Chief Fire Officer during the review of Human Resources and Industrial Relations systems in the Northern Territory Fire Service.

Outcome 2: The NTPS is an Employer of Choice

Output 3: Workforce Planning

Achievements in 2002-2003

Key workforce planning responsibilities of OCPE include:

- providing sound and timely advice to Northern Territory Government (NTG) on all aspects of human resource issues affecting the public sector; and
- supporting Chief Executive Officers and their agencies to develop relevant human resource management policies and practices.

OCPE collects a range of human resource indicators that are used to identify, measure and communicate information to NTG on the public sector workforce profile. Current indicators are provided in the Personnel Statistics section of this report. Over the reporting period considerable effort has been put into developing more useful data on rural and remote area employment and on capturing accurate Indigenous employment indicators.

Work Plan for 2003-2004

There will be a strengthened focus on developing a fully integrated NTPS workforce profile utilising the outline model shown below.



This profile will include:

- continued analysis and reporting on NTPS workforce profile
- collation and analysis of data on remote area employment and Indigenous employment and career development
- provision of advice to government, NTPS agencies and other jurisdictions on demographic trends
- review and evaluation of the latest analysis presentation software
- research, consultation and identification of potential workforce trends and issues for detailed data collection and analysis; and
- monitoring of national and international workforce trends, for example, ageing workforce issues.

Outcome 2: The NTPS is an Employer of Choice

Output 4: Workforce Development

Achievements in 2002-2003

During the reporting period OCPE underwent an intensive strategic planning exercise. During that exercise it was agreed that effective workforce development was dependent upon a range of critical success factors. These included:

- recruiting and retraining skilled employees
- increasing client satisfaction
- employing and developing leaders
- managing risk
- managing change and corporate culture; and
- becoming more innovative.

A range of activities have been undertaken to

enhance workforce development including:

- implementation of the NTPS Indigenous Employment and Career Development Strategy 2002-2006
- developed a biannual reporting framework for Indigenous employment and career development
- conducted a pilot program for Indigenous Men's Leadership Development (Kigurak) with 23 participants; and
- developed an Indigenous Employment workshop.

Work Plan for 2003-2004

It is anticipated that NTPS workforce development will receive greater emphasis in the coming 12 months. Planned projects include:

- conduct a pilot Indigenous Employment workshop
- conduct a pilot NTPS Indigenous Apprenticeship Program
- conduct an interim review on implementation of the NTPS Indigenous Employment and Career Development Strategy
- develop an Indigenous employment tool kit for chief executives and agency management
- establish accurate base line data on Indigenous employment and report to Cabinet; and
- review existing performance management systems in the NTPS and develop options to enhance overall performance across the sector.

Outcome 2: The NTPS is an Employer of Choice

Output 6: Workforce Policy Development, Advice and Implementation

Achievements in 2002-2003

A major focus for OCPE has been to promote and encourage NTPS agencies to include fair and flexible employment conditions policies, including family friendly policies, into their everyday work practices. Following extensive research and consultation with agencies, unions and individuals, OCPE has gained Cabinet approval for:

- the introduction of a 14 weeks paid maternity leave policy across the public sector
- the removal of compulsory age retirement from the *Public Sector Employee Management Act*; and
- the introduction of a Conflict of Interest Declaration policy across the NTPS.

In addition OCPE has reviewed project employment, a program designed to improve access and skills for people with intellectual impairments and assisted with their placement in NTPS agencies. In June 2003 OCPE commenced a pilot Indigenous School Leavers apprenticeship program to enhance the employment prospects of young Aboriginal and Torres Strait Islander school leavers.

Work Plan for 2003-2004

- finalise agreement with the Federal Department of Employment and Workplace Relations for an apprenticeship program under Structured Training and Employment Program
- complete implementation of outstanding policies including 14 weeks maternity leave provision, removal of compulsory age retirement and Conflict of Interest

- develop fair and flexible employment conditions policies; and
- ongoing consultation and negotiation by various enterprise bargaining agreement working groups.

Outcome 3: Government Policy Directions Achieved

Output 1: Industrial Relations Service

Achievements in 2002-2003

Following extensive consultation and negotiation, enterprise bargaining agreements were finalised for:

- Northern Territory Public Sector General 2002-2004 Certified Agreement
- Northern Territory Public Sector Fire Service 2002-2004 Certified Agreement
- Northern Territory Public Sector Teacher and Educators Certified Agreement; and
- 2002 Power and Water Certified Agreement Working Together to Meet the Challenge.

All agreements were certified by the Australian Industrial Relations Commission (AIRC) and were achieved within Government policy and fiscal parameters.

Following extensive consultation and negotiation the simplification of all industrial awards applicable to the NTPS was completed in March 2003.

As part of this process the 33 awards having application in the NTPS have been reduced to 18 through the amalgamation of provisions and the setting aside of obsolete awards.

Joint management or union working groups established to negotiate and finalise various issues contained in the various enterprise bargaining agreements (EBA).

Work Plan for 2003-2004

- research, consult and develop an NTPS strategic industrial relations policy
- conduct negotiations consistent with the strategic Industrial Relations policy
- finalise agreements with the following workplace groups:
 - Nurses
 - Medical officers
 - Dentists; and
 - Darwin Port Corporation
- consult and develop options for negotiations due to commence in 2004-2005, for example:
 - Northern Territory Public Sector EBA
 - Northern Territory Public Sector Fire and Rescue Service EBA; and
 - Northern Territory Police Force Consent Agreement.

Outcome 3: Government Policy Directions Achieved

Output 2: Public Sector Employment

Achievements in 2002-2003

The role of OCPE in relation to the objectives and actions in each of the Government's strategic priority areas is supporting rather than principal. However, OCPE has a critical role in providing the appropriate employee capability and employment conditions to enable the Government's strategic objectives to be achieved and to implement the Government's employment policies.

Over the reporting period the following Government's policy directions have been implemented:

- the NTPS Indigenous Employment and Career Development Strategy

- introduction of 14 weeks paid maternity leave
- removal of age 65 retirement provisions; and
- preparation of the Northern Territory Government's submissions to the Australian Industrial Relations Commission Reasonable Hours Test and National Wage Cases.

Work Plan for 2003-2004

- implement Government policies for maternity leave, removal of age 65 retirement provisions and remote locality reforms
- provide timely advice to Government on proposed changes to the Federal *Workplace Relations Act*; and
- prepare NT submissions to the ACTU Flexible Work Options for Employees Report and further National Wage Cases.

Outcome 3: Government Policy Directions Achieved

Output 3: Workforce Policy Development Advice and Implementation

International Labour Organisation

OCPE ensures that the Northern Territory Government provides timely and relevant advice to the Federal Government to enable it to meet its obligations to the International Labour Organisation. During the reporting period, OCPE provided advice and formal Article 19 reporting on:

- employment Policy (Supplementary Provisions)
- job creation in small and medium enterprises.

In addition, OCPE responded to requests for information from the 90th, 91st and 92nd sessions of the International Labour Conference on:

- withdrawal of recommendations

- tripartism and social dialogue; and
- scope of the employment relationship.

An updated Law and Practice Report was provided on the progress of ratification of International Labour Organisation (ILO) Convention 155, Occupational Safety and Health. The Minister was provided with a briefing on the Northern Territory's legislative compliance with ILO Convention 182, *Worst Forms of Child Labour* and an information paper on Child Labour Permits and Employment in the Northern Territory.

OCPE responded to questionnaires and surveys on:

- Occupational Health and Safety
- Occupational Diseases
- Fishing; and
- Promotion of cooperatives.

OCPE also responded to a request from the Federal Department of Employment and Workplace Relations for the annual reporting update on the non-ratified Fundamental Conventions, Abolition of Child Labour.

Ministerial and Cabinet Advice

Employee Relations researched and developed 145 Ministerial briefings, in addition, 45 Cabinet Submissions and comments were provided in request to 34 others.

Employee Relations developed consultancy brief and subsequently arrange for Mercer Human Resource Consulting to assess potential remuneration strategies for the NTPS.

Employee Relations researched, gave an overview to the Minister and developed consultancy brief to analyse options for the creation of a long service leave scheme for the Northern Territory building and construction industry.

Work Plan for 2003-2004

- conduct Remote Locality Classification Methodology project
- review ILO Conventions requested by the International Division of the Department of Employment and Workforce Relations
- complete ILO Article 22 and 19 Reports
- develop a pilot program for NTPS Indigenous Apprenticeship Program
- provide six monthly reports to Cabinet on implementation of Indigenous Employment and Career Development Strategy in agencies
- review the application of the *Information Act* on the *Public Sector Employment and Management Act* and its subordinate legislation and implement changes as necessary
- research, consult and develop Human Resource guidelines for application of the *Information Act*
- monitor national and international trends and best practice Human Resource, Indigenous employment and remote locality conditions; and
- implement Cabinet policy decision on introduction of a portable long service leave scheme for the Northern Territory building and construction industry.

Outcome 3: Government Policy Directions Achieved

Output 4: Whole of Industry Workforce Policy Coordination

Achievements for 2002-2003

The key feature of this output is the continued provision of advice, assistance and statistical information to the Minister and CEOs on all aspects of employee relations and strategic

workforce development. To achieve this output OCPE has:

- prepared and coordinated briefing papers for a range of committees and meetings including for Commissioners' Conferences, Senior Officers Working Groups
- coordination Committee and Coordination Workforce Sub Committee meetings; and
- coordinated and prepared briefing papers for Ministerial Councils.

Work Plan for 2003-2004

Employee Relations plans to undertake research and develop discussion or information papers for various councils, conferences and meetings as requested by Minister and Commissioner for Public Employment.

Strategic Workforce Development

The core business of the Strategic Workforce Development unit within the Office of the Commissioner for Public Employment is capability strengthening. The central themes are Leadership and Policy Development.

A capable agency or group integrates its strategic direction and its operational business delivery through effective leadership. In this context, leadership extends beyond the formal hierarchical roles of leader and manager to the concept that leadership is a culture, a value or way of thinking in a workplace, and a role that everyone takes on in doing their job and delivering the business of government.

Thus, the services and programs offered from this unit focus on developing strong leadership skills throughout all levels of agencies. For managers in the NTPS, there is a suite of programs, some of which have formal post-graduate accreditation.

Outcome 1: An Effective Employment Framework

Output 1: Merit and Equity Regime

Achievements 2002-2003

- equity awards promoted equity issues in agencies
- established Equity area in OCPE website
- established 'On Equal Terms' an equity newsletter; and
- three Project Employment (PE) participants placed in permanent employment in NTPS, one in outside employment.

Workplan 2003-2004

- equity awards will be held in October 2003
- website will be updated to include developments in disability and flexible working
- newsletter will be published bi-monthly and calendar of events monthly. Continue to provide advice and support to agencies on Equal Employment Opportunity (EEO) issues
- continue to chair Equity, Diversity and Flexibility standing Committee to the Public Sector Consultative Council (PSCC) to gather agency input on diversity issues and report to PSCC
- review PE to ensure equity of access to scheme across the Northern Territory and that scheme's format is contemporary. Continue to work with agencies to offer PE positions and appoint successful participants to permanent jobs.

Outcome 1: An Effective Employment Framework

Output 8: Workforce Policy Development, Advice and Implementation

Achievements 2002-2003

- NT strategic issues and directions for public sector skill development and formation identified in National Vocation Education and Training Plan 2003-2006
- NT support for establishment of Australian Government Skills Training Council jointly with Australian National Training Authority/ Australian Local Government Training Authority; and
- Public Sector Employment and Training Act National Review Stage One Public Services Training Package Northern Territory input.

Workplan 2003-2004

- External consultant engaged for Public Sector Employment and Training Act Review NTPS, stakeholder interviews/focus group consultations
- Northern Territory to look into establishing Training Advisory Council reflecting similar representation of national level in consultation with the Department of Employment Education and Training; and
- Jurisdictional validation of final draft of Public Sector Training Package September 2003.

Outcome 2: The NTPS is an Employer of Choice

Output 5: Workforce Leadership and Management

Achievements in 2002-2003

Executive Development Program

This prestigious program is the only one of its kind in Australia, providing participants with a Masters degree in Public Sector Executive Management. Nowhere else in Australia is such a program coordinated by the public sector and accredited by a university. It also articulates directly into a Doctorate in Business Administration at the Northern Territory University.

The Executive Development Program is aimed at senior executive levels, however succession management often identifies talented people at other levels. Nominees will be considered by their Chief Executive Officers to have the potential for further development of strategic leadership competencies and will be able to take on the challenge of leading their agency to achieving outcomes.

As part of the commitment of this Office to the Indigenous Employment Career Development Strategy, the Office of the Commissioner for Public Employment (OCPE) also considers sponsorship of a suitable Indigenous nomination.

Leadership Development Program

The Leadership Development Program (LDP) was designed to provide a high level, high quality, learning experience customised specifically for senior staff from agencies such as the Department of Employment, Education and Training (DEET) and the Department of Health and Community Services (DHCS).

Successful completion provides participants with a Graduate Diploma in Public Sector Executive Management awarded by the Northern Territory University.

The program, based on action-learning methodology, has been designed to improve the skills, knowledge, and breadth of experience of senior managers. It provides individuals with the opportunity to cultivate their leadership qualities, develop strategic thinking and enhance the capability of an agency, the Northern Territory Public Service and the challenges of government.

Public Sector Management Program (PSMP)

The PSMP is a unique joint venture between Commonwealth, State and Territory Governments. The PSMP is a national strategy to deliver first-class public sector management training and OCPE is the host agency.

The PSMP teaches the skills to successfully manage. Financial management, human resource management, team management, knowledge management, project management and their interactions are all covered in this comprehensive program.

Industry controlled and focused, the PSMP combines tertiary study with experiential learning. It focuses on the strategic direction for the public sector, an integrated view of business planning and public accountability and the ability to lead. Common themes include accountability, ethics and relationship management.

The PSMP awards a Graduate Certificate from one of four leading Australian universities. The PSMP can also provide credit or advanced standing into further post-graduate programs. The PSMP equips middle to senior managers to meet challenges today and tomorrow.

Outcome 2: NTPS is an Employer of Choice

Output 4: Workforce Development

Achievements in 2002-2003

Career Management

Employees in the NTPS are working to achieve

the Government's initiatives and we all have a role. The security of employment in the Northern Territory Public Sector (NTPS) is dependent on its people being able to provide high quality services. We are expected to improve what we do and the way we do things. Employees may require new skills and it takes effort on the part of individuals and agencies alike to develop and acquire them.

Coupled with the role of employees is the responsibility of managers to ensure the optimal capability of their agency is achieved. Having the right people in the right place at the right time is a good starting point. While it is expected that employees will be responsible for managing their own careers, the responsibility for people development starts with Executive Management and cascades to the first level supervisor. Constant changes in what we do and how we do it means that life long learning has become an important part of our lives. Those people who recognise this fact will be at an advantage in terms of long term employability.

Women in Management

A discussion paper is being developed which will highlight the current status of women. This will provide direction for the ongoing research and development of a strategy for Women in Management in the NTPS.

Early Careers Framework

The Office for the Commissioner for Public Employment has recognised the need to develop a whole of government career framework that is sufficiently flexible to meet the needs of agencies and to plan for the current and future capability requirements of the NTPS.

The purpose of the Early Careers Framework is to provide a diverse range of options for agencies to engage and develop staff. It provides a mechanism for agencies that have skills shortages to 'nurture and grow their own staff' and to increase the available pool of people in certain disciplines in the Territory. This is essential given that the NTPS is the largest

employer in the Northern Territory. The age of the working population is increasing rapidly combined with the difficulty in attracting skilled productive workers to the Northern Territory. This framework will include the revised Graduate Development and Traineeship Programs and the introduction of a mainstream Cadetship, an undergraduate development program and a Postgraduate Collaborative Research Program. These initiatives will also be used as a vehicle for improving the diversity of the workforce.

Outcome 3: Government Policy Directions Achieved

Output 4: Whole of Industry Workforce Policy Co-ordination

Achievements in 2002-2003

- Reviewed remote workforce development practice in other jurisdictions
- Established a Remote Workforce Development Strategy (RWDS), which was endorsed by Workforce Subcommittee of the Coordination Committee and approved by Cabinet.
- Chair of Governance – Northern Territory University presented paper on Governance; and
- Partnering with Northern Territory University and input to ‘The Territory Workforce’ Scoping Paper

Workplan 2003-2004

- Ongoing introduction of RWDS
- RWDS Committee (inter-agency standing committee) will be developed
- RWDS Officer by will be employed to assist in implementation
- Ongoing monitoring, evaluation and development of strategy

- Ongoing commitment to SLA with Chair of Governance once appointed; and
- Implement recommendations from Peak Group

Promotions Appeal Board and Grievance Review

The Promotions Appeal Board (PAB) operates as an independent body, however, for administrative purposes, it is located within the Office of the Commissioner for Public Employment. The PAB establishes procedures for, administers and chairs all promotions appeal matters.

Grievance Review (GR) is undertaken on behalf of the Commissioner for Public Employment. Grievance review encompasses the investigating and reporting on applications lodged under Section 59 of the *Public Sector Employment and Management Act (PSEMA)*. Reviewing Officers report to the Commissioner on review findings and make recommendations for review outcomes.

Appeal and grievance review processes provide employees with the opportunity to seek redress against actions or decisions of agencies.

PAB and GR independently and impartially reviews practices and decisions, providing feedback and recommendations for future action to both employees and agencies.

PAB and GR Vision

Merit, equity and fairness prevail within public sector people management.

PAB and GR Mission

- develop, implement and review policies and strategies to provide effective, impartial and independent review of appeals and grievances
- foster selection in accordance with the merit principle; and

- foster fair and equitable treatment of all employees.

The program's objective is to ensure merit, equity and fairness prevail within public sector people management through the provision of an effective, impartial and independent mechanism for appeals and grievances.

Budget Allocation and Expenditure

Increases in budget were provided to more accurately reflect PAB and GR expenditure and to provide additional staff to assist with identified workload issues.

A detailed breakdown of the actual budget expenditure for the year is available in the detailed financial report section of this report.

Staffing

The PAB has a permanent staff of three who deal with promotions appeal and grievance review matters, however, the staffing numbers have been extended at times by an additional Grievance Manager. The Central Australia Representative of OCPE also assists the PAB in appeals and grievance reviews in the southern region.

PAB and GR links to Outcomes one, two and three from the OCPE Strategic Plan 2002-2005.

Outcome 1: An Effective Employment Framework

Grievance Review Process

PAB and GR handled a total of 74 grievances under Section 59 of *Public Sector Employee Management Act*. Under Section 59 employees may request the Commissioner to review grievances related to treatment they have received whilst employed in the NTPS. These requests also include failure to take action or make a decision.

The objective of Section 59 Grievance Review is to ensure equity and fairness prevail within

public sector people management through the provision of an effective, impartial and independent mechanism of grievance review.

All Section 59 grievance reviews are dealt with impartially and independently. Where the Commissioner had involvement in the matter or previous dealings with the employee that might lead to perceptions that consideration of the grievance could be partial, the matter was delegated to an impartial CEO for consideration.

The most frequently given reasons for lodging a grievance were:

- harassment, bullying, victimisation
- denial of natural justice
- flawed selection process; and
- conditions of service matters.

The nature of grievances over recent years has changed from conditions of service and some issues of personal or supervisory or management conflict, to a significant proportion of complex interpersonal and management related issues.

This increase in complexity may be attributed to increased complexity and pressures within the work environment, and an increased understanding by employees of their rights and entitlements.

Grievances now tend to be related to long running issues within agencies. This factor, combined with the complexity of the matters of grievance often make satisfactory and timely resolution of grievances difficult to achieve.

The time taken to investigate and complete grievances has been an ongoing concern to PAB and GR and OCPE. The aim is to review all grievances within 100 days, however, all parties to the grievance are provided with opportunity to comment on the matters raised. Unfortunately this consultation phase has often led to extended

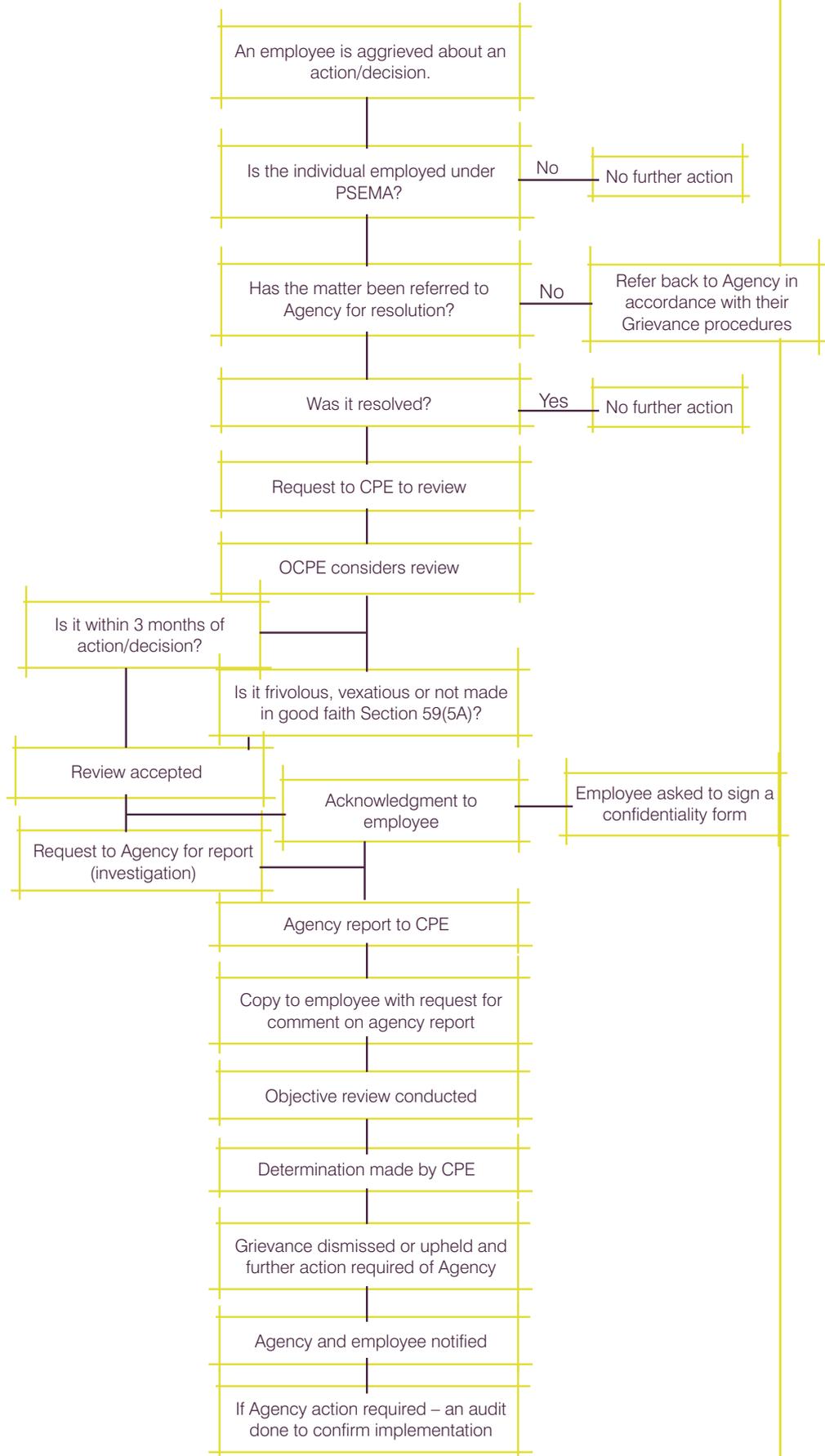
time delays. OCPE is reinforcing with agencies the requirement to respond to grievances within stated time frames.

During 2002-2003 an independent review of the Section 59 grievance process was commenced, with the final report expected in early July 2003.

The review included extensive consultation with agencies and unions and a selection of employees who had accessed the Section 59 review process. It is anticipated that recommendations will include changes to the existing Section 59 grievance process to include early initial consultation with both the employee and the agency to determine the scope of the grievance; and provision of a mediation and conciliation process as an addition to the existing formal reporting process.

The following Section 59 process flowchart outlines the existing grievance process. It is expected that an additional arm, providing for initial discussion and a mediation process, will be added to the flowchart as a result of the review.

Section 59 Grievance Review Process



Results of Section 59 grievances

	1999-2000	2000-2001	2001-2002	2002-2003
Grievances carried over	15	9	20	22
Grievances lodged/ formalised	44	48	59	52
Total grievances handled	59	57	79	74
CPE confirmed agency action/ decision	25	18	39	9
CPE directed agency to refrain or take action	8	3	9	6
CPE confirmed unfair treatment	2	7	5	4
Grievance withdrawn/lapsed/ referred to Agency	13	8	9	9
CPE declined to review grievance	2	1	3	4
Total Section 59 grievances finalised	50	37	65	32
Grievances on hand at end of period	15	20	14	33

Result of grievances referred to agencies

	1998-1999	1999-2000	2000-2001	2001-2002
Carried over	2	6	0	8
Received during the period	17	11	22	8
Total RBA grievances	19	17	22	16
Resolved	6	9	8	4
Withdrawn/ lapsed	3	0	5	2
Became Section 59 grievances	4	8	4	3
Total RBA grievances finalised	13	17	17	9
RBA grievances on hand at end of period	6	0	5	7

Promotions Appeal System

Promotion appeals may be lodged only on the grounds of superior merit. Appeals are determined by a tripartite Promotions Appeal Board (PAB) consisting of a Chairperson nominated by the Commissioner, a nominee of the agency and a nominee of the relevant staff association or union. In determining an appeal, the Board reviews statements provided by parties to the appeal, may seek further information and may also require parties to attend a hearing on the matter.

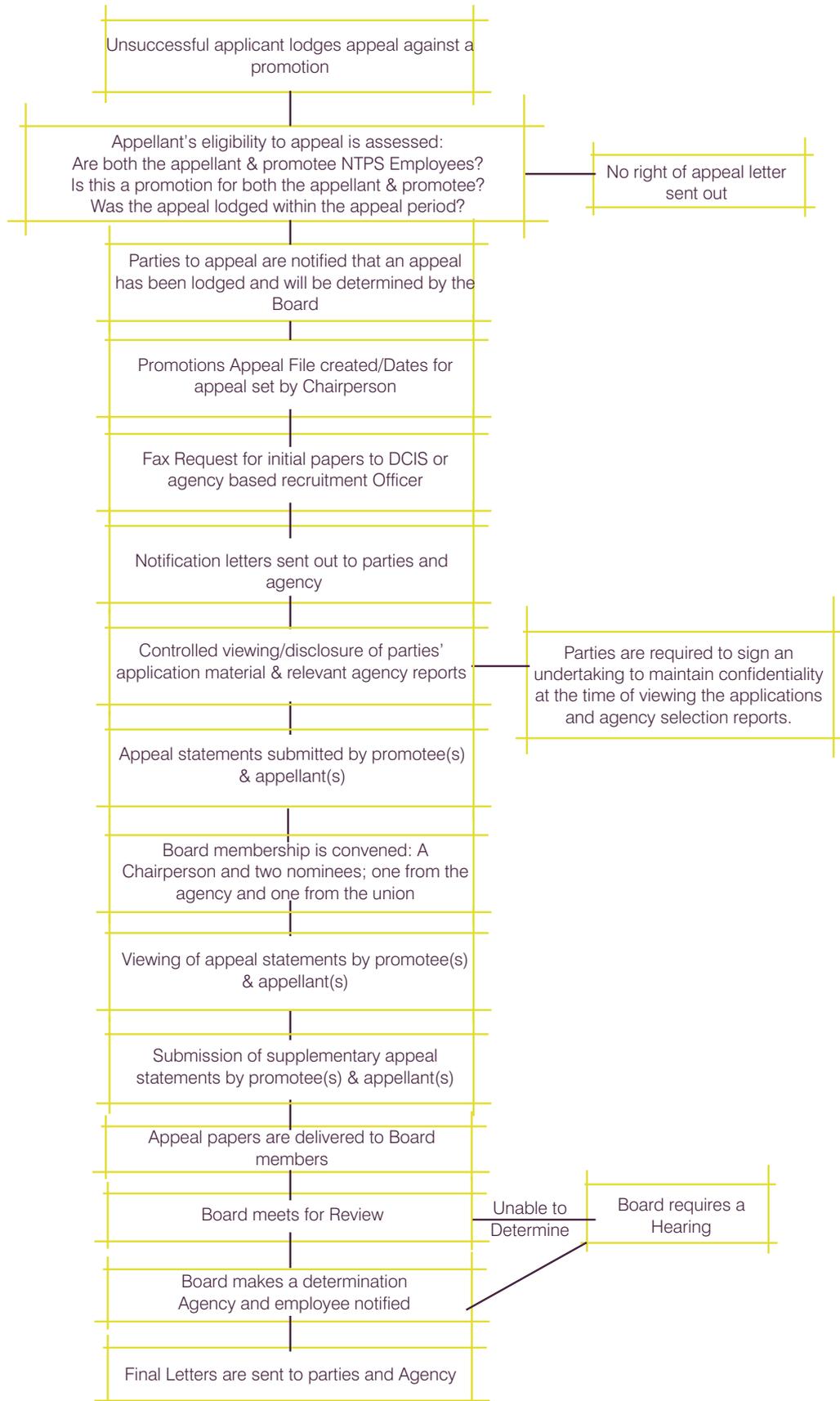
Tripartite PABs independently and impartially determine promotion appeals on the grounds of superior merit. From a total of 930 provisional promotions during 2002-2003, 62 promotion appeals were handled, giving an appeal rate of 4% of promotions being appealed against. Some 11 appeals were protective appeals, where a promotee lodges an appeal against another promotion to a similar vacancy at the same level, within the same appeal period.

Breakdown of appeals received by Promotion Appeals Board.

	1999-2000	2000-2001	2001-2002	2002-2003
Appeals carried over	1	15	2	27
Permanent promotion appeals	68	24	49	27
Temporary promotion appeals	1	2	6	5
Protective appeals	13	11	19	3
Total	83	52	76	62

The following flowchart depicts the promotions appeal process.

Promotions Appeal Process



Resolution of appeals determined by Promotions Appeals Board

	1999-2000	2000-2001	2001-2002	2002-2003
Allowed	2	0	3	1
Disallowed	27	13	20	34
Vacancy Re-advertised	7	7	0	0
Withdrawn	21	12	13	11
Lapsed/Cancelled	11	18	13	13
Total Appeals Resolved	68	50	49	59
Appeals carried over	15	2	27	3

Appeals against provisional promotions can only be lodged on the grounds of superior merit. Promotion appeals may be made by employees who were applicants for a vacancy where the result of the selection is a promotion for the successful applicant and would have been a promotion for the appellant.

Where the employee was not an applicant for the vacancy, written approval to appeal needs to be sought from the Commissioner for Public Employment.

Whilst the legislation stipulates that appeals must be based on superior merit there is a continuing proportion of appeals that, although couched in terms of superior merit, result from selection practices and feedback that are not ideal. For example, rating individuals as ‘unsuitable’, unsubstantiated assessments in individual reports and conflicting feedback often leads to appeals as employees seek to challenge the outcome through claims of superior merit.

The Promotions Appeal Board recommends increased transparency in selection processes, with honest and substantiated assessments and feedback, as a means to decrease the number of promotions appeals.

Outcome 1: An Effective Employment Framework

Output 2: Ethical Standards

Bullying in the Workplace

Responding to anecdotal reports that bullying in the workplace may be a concern for the NTPS, the 2002-2004 Certified Agreement (Enterprise Bargaining Agreement) included an undertaking to develop a sector-wide strategy that defines, recognises and addresses the issue of bullying in the NTPS.

Clause 35.2 of the NT Public Sector 2002-2004 Certified Agreement states:

“The Parties agree to develop a service-wide strategy that defines, recognises and addresses the issue of bullying in the NTPS. The strategy will be developed through the forum of the PSCC during the term of the Agreement.”

During 2002-2003 OCPÉ contracted the Employee Assistance Service (EAS), in partnership with Griffith and Central Queensland Universities, to undertake a review of bullying across the NTPS. To establish a database from which to work, EAS and the Universities, conducted a confidential Work Environment Survey across the NTPS.

The survey is designed to assess the behaviour or circumstances that could be termed bullying in the workplace and the prevalence of that behaviour. The survey also asked a number of questions about general work attitudes and job satisfaction.

As at 30 June 2003 EAS had received approximately 2,500 returned surveys.

The results of the survey will be used to:

- analyse the extent and perceptions of bullying in the NTPS
- develop a definition of bullying to be applied throughout the NTPS

- identify areas and/or categories of NTPS employment where priority action may be required
- identify responsibilities and actions to address bullying; and
- develop a sector-wide strategy to address bullying in the workplace.

Outcome 1: An Effective Employment Framework

Output 4: Workforce Management

A function of the PAB and GR Office is to provide advice to agencies and individuals on appeal and grievance mechanisms.

PAB and GR provided advice in response to a total of 2,214 verbal and written enquires including:

603	relating to appeal matters
1,034	grievance matters
520	other issues including general recruitment, selection processes, conditions of service; and
57	issues requiring a more detailed response

PAB and GR participated in training and briefing sessions providing information on promotion appeal and grievance review process and procedures.

PAB and GR continued to make available brochures (on appeals, grievance reviews, and writing a job application) to increase employees' awareness of their conditions of service and applicants of how to prepare better job applications.

Administrative support staff advised recruitment officers when no appeals were received in relation to provisional promotions, allowing the selection process to be finalised.

During 2002-2003 PAB and GR sought feedback from participants in both appeals and grievance processes through feedback forms sent one month after the completion of the process.

Analysis of returned forms shows that most respondents felt that the process had provided a fair and reasonable opportunity for parties to put their claims, respond to adverse material and have their claims considered. Respondents also felt that the processes provided impartial and timely consideration of claims and that appropriate assistance was provided from PAB and GR staff. It is important to note, however, that the returns were mostly from PAB Members and not from employees involved in the process. Where returns were received from employees whose appeal had been disallowed, or who were not happy with the outcome of their grievance, they tended to reflect dissatisfaction with the process and outcome.

Outcome 2: The NTPS is an Employer of Choice

Output 1: Workforce Knowledge Management

During 2002-2003 PAB and GR updated its previous database to allow for increased interrogation of data and provide increased flexibility in internal reporting. As required PAB and GR provided reports to agencies and the Commissioner on appeal and grievance numbers and outcomes.

Outcome 3: Government Policy Directions Achieved

Output 2: Public Sector Employment

Output 3: Workforce Policy Development Advice and Implementation

As part of the OCPE corporate activities PAB and GR contributes to the implementation of Government policies, development of the annual policy program, provision of Ministerial and Cabinet advice and ongoing policy, research and evaluation.

Through both appeal and grievance activity PAB and GR also monitors and promotes the implementation of Government policies and as required, prepares briefings and reports and responds to enquiries from the Minister's Office and government on grievance related matters.

state of the service

Section 18 (1) of the *Public Sector Employment and Management Act* (PSEMA) requires the Commissioner for Public Employment to report annually on:

- The extent to which observance of the prescribed principles of human resource management have been achieved in the NTPS over the period to which the report relates, and include reference to:
 - measures taken to ensure observation of the principles
 - any significant breaches or evasions of the principles detected by or brought to the attention of the Commissioner
 - measures, if any, taken to improve human resource management in the various agencies
 - the extent to which disciplinary, redeployment and inability procedures were invoked in the Public Sector
 - those matters specified in Section 28 (2) in so far as they related to the Commissioner’s office; and
 - such other matters, if any, as are prescribed.

Prescribed Principles and Code of Conduct

The principles of public administration and management, human resource management, and the NTPS Code of Conduct are detailed in Part 2 of the *Public Sector Employment and Management Regulations*.

Principles of Human Resource Management

The principles of human resource management, as they apply to the NTPS, are:

- the selection of persons to fill vacancies in the NTPS shall be on the basis of merit

- human resource management actions shall be taken in such a manner as to ensure the exclusion of nepotism, patronage, favouritism and unlawful and unjustified discrimination on any ground in respect of all employees and persons seeking employment in the NTPS
- employees shall be treated fairly and shall not be subject to arbitrary or capricious administrative acts; and
- human resource administration and management in the NTPS shall be consistent with the principles of equal employment opportunity.

Employees shall be:

- afforded reasonable, independent avenues of redress against improper or unreasonable administrative acts
- afforded reasonable access to training and development
- remunerated at rates commensurate with their responsibilities
- these principles of human resource management are complemented by a Code of Conduct, issued as Employment Instruction Number 13 under the authority of Section 16 of PSEMA which provides more detailed guidance on the rights and delegations of employees; and
- the Code of Conduct deals with matters of ethics, accountability and transparency. Issues that are receiving increasing attention across all jurisdictions.

Links between the Principles of Human Resource Management and Agency Objectives and Culture

1993 heralded a new direction in employment relations in the NTPS with introduction of the *Public Sector Employment and Management*

Act (PSEMA). PSEMA made it very clear that responsibility for applying the principles of human resource management rests with Chief Executive Officers of each agency. It is therefore critical that the Commissioner and his staff establish a strong and constructive relationship with each agency to ensure processes are in place to apply the principles effectively.

In developing the relationship between OCPE and agencies it is recognised that a number of agencies, as a result of amalgamations in early 2002, are in the process of developing and bedding down objectives, values and processes to meet service demands and enhance productivity. PSEMA's principles and Code of Conduct provide a framework within which agency's can develop their own objectives and values. A diversity of organisational cultures is appropriate when these are developed, supported and managed to ensure essential government objectives are achieved.

The Reporting Framework

Whilst the Act requires the Commissioner to report on application of the principles of human resource management, each CEO is responsible for the processes underpinning their application in his or her agency. Comprehensive reporting against the Employment Instructions is the principal, but not the only means by which the Commissioner can assess employment relation practices within the sector.

The agency annual reporting statement provides a critical and comprehensive summary of the measures agencies have taken to improve employee relations.

A reporting framework has been progressively developed since PSEMA came into effect. The major components are summarised in the following table:

Type of information	Method of collection	Source
Quantitative data	Statistical data collected	Internal, DCIS, agency reporting.
Qualitative data	Self-assessment and reporting against key indicators. Commissioner and OCPE staff visits to agencies. Coordination committee, Commissioner's and other conference outcomes.	All agencies covered by PSEMA.
Policy/Strategy	Coordination of employment relations issues associated with Building a Better Territory objectives. Reports and reviews on application of policies/strategies issued by the Commissioner. For example, Indigenous recruitment and career development, remote locality conditions, job evaluation.	Specific reports, EBA negotiations
Complaint/ Appeal outcomes	Review of complaints through Promotions Appeal Board and Grievance Review (PAB and GR)	PAB and GR, agencies
Tribunal, Industrial Relations Commission (AIRC) findings.	Review of outcomes of cases before tribunals and AIRC.	Specific issues or cases
Research Outcomes	Commissioner's review of specific issues and related practices. For example, remote locality review, construction industry long service leave scheme, equity and diversity. EBA Working research	Agencies, individual consultants as appropriate

Critical Elements of the Reporting Framework

As indicated before, one of the principal means of obtaining qualitative reporting data is through agency reporting against Sections 18 and 28 of PSEMA. The quality of this reporting relies on critical self-assessment. Each CEO is required to sign off on the extent to which they have established processes and procedures to apply the principles of human resources management, as embodied in the various employment instructions, within their agency.

Factors Impacting on Agency Reporting

As reported last year, the Government's introduction of *New Public Sector Agency Arrangements* in November 2001 had a profound impact on most agency employee relations reporting systems. Although major line agencies were, to a large extent, unaffected by the amalgamations (note the Department of Health and Community Services is currently undergoing a separate restructuring and re-alignment of services), the newly established agencies have undergone major change.

Agencies most affected by the new arrangements report that they are in the process of developing higher order strategic plans and objectives. Over the 2002 calendar year these agencies have adopted, remodelled and/or developed new practices and reporting procedures to support their expanded roles.

In the context of this report it should be noted that one of the reasons for the amalgamation of agencies was the rationalisation of corporate services/operational areas. This has had a significant effect on the monitoring and modification of the policies and procedures as these same units are responsible for developing human resource management and development procedures and for the collation and reporting of employee relations data.

Employment Instructions

Employment Instructions, issued in accordance with Section 16 are the principal means by which the Commissioner gives effect to measures “. . . to improve human resource management in the various agencies.”

The Instructions provide a framework to support the Commissioner for Public Employment's partnership arrangement with agency chief executives. As such they are important for three reasons:

- agency reports against the Employment Instructions provides information to the Commissioner so that he can report to the Minister and the Legislative Assembly on the corporate governance of the sector
- the reporting requirement provides an opportunity for CEOs and managers to reflect on application of the principles of public sector employment and conduct, as well as a range of employee relations practices in their agency; and
- preparation of the reports provides agencies with the opportunity to assess their internal communication, processes and procedures.

Employment instruction	Objectives
1	<p>Develop procedures for the selection, appointment, transfer and promotion of employees that are consistent with the <i>Public Sector Employment and Management Act, Regulations</i>, by-laws, Employment Instructions and relevant Awards.</p> <p>Ensure selection is made in accordance with merit and equal opportunity principles and applicants are assessed by a panel competent for the purpose.</p>
2	<p>Develop procedures to ensure probationary employees are aware of the details of the probationary process within one week of reporting for duty.</p>
3	<p>Ensure natural justice is observed in all dealings with employees under the Act.</p>
4	<p>Develop and implement performance management systems.</p>
5	<p>Identify necessary procedures when CEO is of the opinion that an employee may be medically incapacitated.</p>
6	<p>Identify the issues to be addressed when an employee is not performing his or her duties to the required standard. Describe the action to be taken prior to commencing the formal mobility process under the Act.</p>
7	<p>Establish procedures regarding breaches of discipline within agencies consistent with the Act, Regulations, by-laws and Employment Instructions.</p>
8	<p>Establish grievance settling procedures within individual agencies.</p>
9	<p>This Employment Instruction is now incorporated into EI1.</p>
10	<p>Ensure recording of required details for every employee and establish procedures for access to records by individual employees while ensuring confidentiality.</p> <p>Establish systems and procedures regarding the authority to access employee records.</p>
11	<p>Implement programs that ensure employees have equal employment opportunities.</p> <p>Implement programs for the employment and development of Aboriginal and Torres Strait Islanders within the framework of the Act, Employment Instructions and the NTPS Aboriginal Employment Career Development Strategy.</p>
12	<p>Consult with employees and their representatives for the purpose of developing and implementing agency occupational health and safety programs.</p>
13	<p>CEOs may issue agency specific codes of conduct consistent with the Act, Regulations, by-laws and Employment Instructions.</p> <p>CEOs may issue guidelines regarding acceptance of gifts and benefits by employees.</p> <p>The Code of Conduct applies to all public sector employees, including CEOs.</p>
14	<p>Enhance employment flexibility through effective part time employment provisions.</p>

Significant Breaches or Evasion of the Principles

No significant breaches or evasion of the Principles has been brought to the notice of the Commissioner for Public Employment. Whilst a number of breaches of discipline have occurred, they could not be considered significant in a public sector of over 14,000 employees.

Similarly, whilst the grievance process reveals occasional examples of poor management, or decisions, the number of grievances does not indicate an endemic tendency towards poor management practices.

Agency Self Assessment

For the purpose of reporting to Government, 16 agencies were requested to complete the Agency Reporting Requirement Statement in accordance with Sections 18 and 28 of the Act.

As a result of agency restructuring and redesign of reporting systems over the reporting period, any trend analysis using previous data would be of limited value. This Office will continue to work with agencies to enhance their employment relations practices and procedures.

Agency Reporting – Summary Statement

Chief Executive Officers were requested to affirm their understanding of responsibilities relating to the principles of human resource management and indicate, by selecting one of the four statements shown below, the agency's level of compliance.

1A – The agency has established processes that ensure application of the principles of human resource management and is moving towards best practice in people management.

1B – The agency has established processes that ensure application of the principles of human resource management.

1C – The agency will complete the development of processes to ensure application of the principles of human resource management by 31 December 2003.

1D – The agency will not complete the development of processes to ensure application of the principles of human resource management by 31 December 2003.

In response to the summary statement question, CEOs responded as follows:

Indicator	Number of Agencies	Percentages
1A	10	63%
1B	5	31%
1C	1	6%
1D	NIL	

Key Indicators Supporting the Summary Statement

To provide support to the summary statement, CEOs were requested to submit information regarding the extent to which application of the principles was being actively managed within the agency. This assessment provided an indication of the extent to which a range of key process indicators had been met in relation to the core aspects of the human resource management set out in the various Employment Instructions. The key indicators are summarised below, together with a sample of responses provided by agencies to support their assessments.

Indicator	Indicator statement	Sample agency responses to support statement
2 A	Policy and processes explicitly approved by senior management	<p>Employment policies and procedures, as required by the Employment Instructions, are approved directly by the CEO and are made available in hard copy as well as on the Department's intranet site.</p> <p>Agency specific policies and procedures relative to Employment Instructions have been endorsed by the Management Board, are provided to all employees and copies have been forwarded to OCPE.</p> <p>In relation to Employment Instructions 3 (Natural Justice), this agency is currently drafting 'How to' processes for managers to ensure that procedural fairness is understood and observed by managers and employees. Managers and staff also have access to all Employment Instructions via the intranet.</p> <p>A 'Working Guide to Staff Selection' is detailed in the 'Managers Tool Kit' and is provided to all managers and supervisors. The agency staff selection policy has recently been updated and endorsed by the executive.</p> <p>The agency's recruitment and selection policy is being reviewed. When the review is completed, the policy will be</p>
2 B	Policy and processes issued and made known to all staff.	<p>Information on agency policies and processes are published on the agency staff-only intranet site and provided to all new staff during their induction course.</p> <p>All agency specific policies and procedures have been previously distributed to unit heads and have been included on the agency (Management Services) intranet site. These policies and procedures are also highlighted in the Induction Program which is also included on the website.</p> <p>Where the agency has not developed an agency-specific policy or process, a link to the OCPE website is established on the Department's intranet site. Some specific policies and processes of former agencies now forming part of the Department continue to operate, with consistency ensured through the new combined Human Resource Unit.</p>

Indicator	Indicator statement	Sample agency responses to support statement
2 C	Policies and processes are documented and readily available	<p>All staff have immediate access to the agency intranet site.</p> <p>The agency promotes all policies and processes applying to Employment Instructions through its Human Resource website and hard copies are available in each work unit.</p> <p>Agency specific policies and procedures, and where no agency-specific policy or procedure has been developed, Employment Instructions are available to all staff on the Human Resources and Workforce Development intranet site.</p> <p>All agency staff receive a copy of policies and procedures that have been developed in response to Employment Instructions.</p>
2 D	Processes are fair	<p>Whilst some policies have been carried over from previous agencies, now part of the Department, consistency and fairness are ensured through the now combined Human Resource Unit.</p> <p>An agency policy is currently being developed to ensure that procedural fairness is understood and observed by all staff.</p> <p>The agency's new Equity and Diversity Plan provides clear objectives and strategies, including a system of conciliation, investigation and resolution of complaints.</p> <p>The Department's Human Resource Unit coordinates all Human Resource matters and closely scrutinises and monitors practices and procedures to ensure compliance with legislation and policies and to ensure that all processes are applied consistently and fairly.</p> <p>80 staff across the Department have been accredited as staff selection chairpersons to ensure all recruitment, selection and promotion processes are fair.</p>

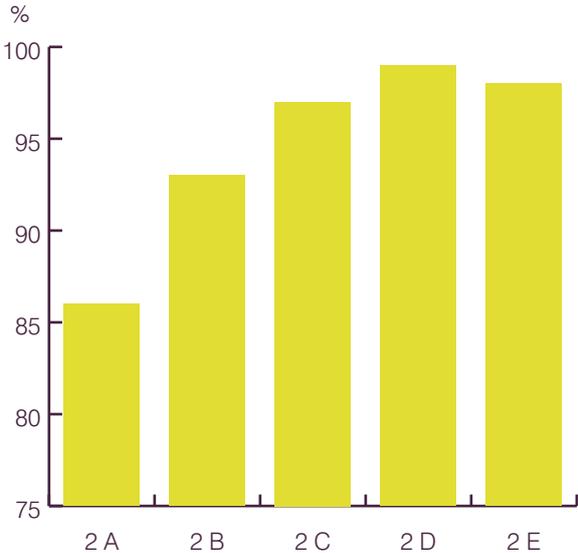
Indicator	Indicator statement	Sample agency responses to support statement
2 E	Policies and processes are applied consistently.	<p>Application of policies and procedures is over sighted by the Corporate Steering Committee to ensure consistency.</p> <p>The Department’s Human Resource Unit coordinates all human resource matters and closely monitors procedures and practices to ensure processes are applied consistently.</p> <p>Whilst some business units of the Department still apply policies and procedures that existed when they were separate agencies, consistency of application is ensured through the newly combined Human Resource Unit.</p> <p>All agency policies and processes are underpinned by three key elements:</p> <ul style="list-style-type: none"> • the provision of fair and equitable work environment and consistent application of work practices • provision of an environment free from discrimination and harassment • the recognition of everyone’s right to be treated with fairness, respect and dignity. <p>Consistency of application is evidenced by no grievances being lodged in the reporting period.</p>

Agency responses, together with supporting information, provides a good indication of compliance with each of the Employment Instructions (EI).

The chart below indicates the compliance rate reported by agencies. It should be noted that of the 13 Employment Instructions (EI 9 has been incorporated into EI 1), agencies are not required to report specifically against EI 3 (Natural Justice) or EI 5 (Medical Incapacity) in this section. Therefore a total of nine Employment Instructions are considered.

This year is the second following implementation of the *Government's New Public Sector Agency Arrangements*. It is considered the 2003-2004 Report will allow for a more accurate comparison of agency compliance over a three year period.

Agency Compliance Rate (Indicator 2 A to 2 E)



Better Practice Indicators

Agencies were also asked to respond to a range of process indicators that demonstrate their progress towards better human resource management practices. These better practice indicators are described in the following table, together with sample agency responses to support their statements.

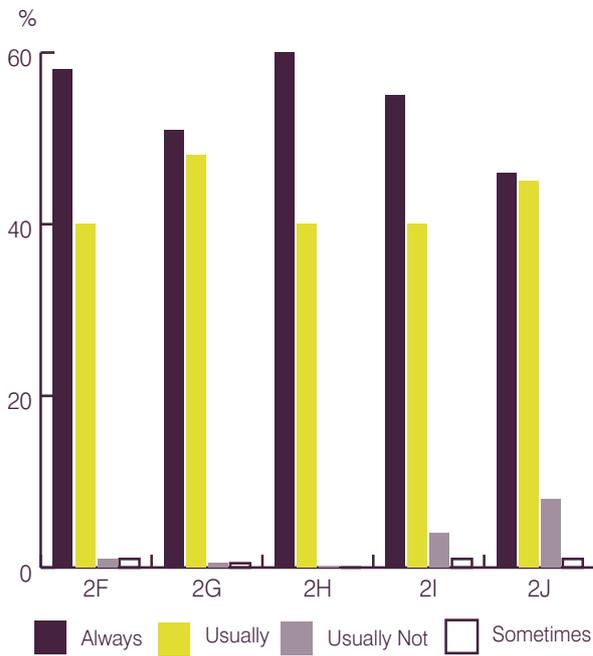
Indicator	Indicator statement	Sample agency responses to support statement
2 F	Managers observe policies and processes	<p>The Human Resource unit is responsible for providing advice and support to managers regarding observance of good human resource practices, equity and merit principles, etc.</p> <p>Human Resource and Workforce Development have produced a draft 'Managers Toolkit'. The kit is a source of information on how to implement employment relations policies and procedures effectively.</p> <p>Information sessions for all managers are held throughout the year to increase awareness and observation of policies and processes.</p> <p>Managers are kept up to date with changes to policy and trends. Performance in application of Human Resource policies and procedures are assessed as part of the agency's performance management system.</p> <p>Branch heads/unit managers are required to undertake annual assessment on the effectiveness of their unit's outputs.</p>
2 G	Other staff observe policies and processes	<p>Statistical data shows that employees are aware of, and observe, Human Resource policies and procedures.</p> <p>No complaints, appeals and grievances and support of agency action indicates staff are observing policies and procedures.</p> <p>The agency is presently reviewing its performance management framework with the aim of ensuring recognition of staff participation and contribution to agency operations.</p> <p>The introduction of new policies and processes is undertaken in consultation with staff through the distribution of draft policies seeking input. This helps to achieve staff commitment.</p> <p>Being a small agency, with highly committed staff, any non observance of policies or processes would be readily apparent.</p>

Indicator	Indicator statement	Sample agency responses to support statement
2 H	Policies and processes support their desired outcomes	<p>Policies and procedures have had a general update to reflect current practice in the agency. However a full review of policies and procedures is identified in the People Management and Development Plan 2003-2005 and targeted as a priority during 2003-2004.</p> <p>The effectiveness of policies and processes in meeting the agency's desired outcomes is monitored at the monthly management group meetings.</p> <p>The agency adheres to whole of government policies, this supports desired outcomes.</p> <p>Current systems are unreliable in measuring the success or otherwise of policies and practices. As a result, improving the validity of the data collected will be a focus for 2003-2004.</p>
2 I	Policies and processes included as part of broader business process review or development activities.	<p>Strategic planning sessions have been conducted in each business unit to provide an overview of the strategic directions of the agency and to ensure all Human Resource policies and procedures align with business objectives.</p> <p>All people management policies and practices are currently under review in the agency to ensure they are fully integrated and support the strategic objectives.</p> <p>All managers are required to conduct the performance management with their staff throughout the year. This provides best practice information enabling both managers and staff to contribute to the agency's objectives.</p> <p>Performance measures and identification of staff capabilities are now part of the agencies annual business planning and budget review process.</p>

Indicator	Indicator statement	Sample agency responses to support statement
2 J	Development and review of policies and processes is informed by staff views or needs	<p>Introduction of new policies and procedures is undertaken in consultation with staff, seeking their input or participation in discussion groups as appropriate.</p> <p>Staff involvement in the agency's strategic planning and policy development is one of the strategies that contribute to the four critical success factors for the agency.</p> <p>Extensive consultative processes have been adopted in the development of the People Management and Development Plan, Equity and Diversity Plan and the new Performance Management Plan.</p> <p>Consultative processes are an integral part of the agency's operations. For example the Equal Employment Opportunity steering committee has representation from each business unit and Equal Employment Opportunity target groups.</p> <p>Focus groups were conducted during May/ June 2003 to gain staff views on the current performance management system.</p> <p>It is intended, as part of the Strategic Human Resource Plan, for regular employee opinion surveys to be conducted that will canvass such issues as staff awareness of, and confidence in, policies and processes.</p>

Agency compliance rates are illustrated in the figure below.

Agency Compliance Rate (Indicator 2 F to 2 J)



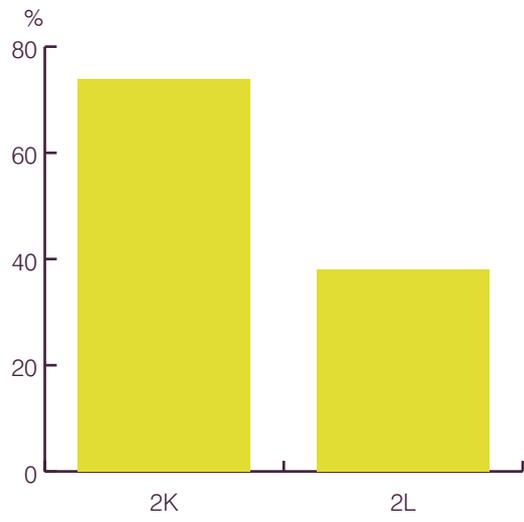
Monitoring and Modification of Policies and Procedures

As the final component of the staff assessment process, CEOs were requested to indicate whether internal monitoring systems had been developed and whether existing policies and procedures had been modified in the preceding 12 months.

Agency responses are summarised in the figure below, together with a sample of responses to support the statement.

Indicator	Indicator statement	Sample agency responses to support statement
2 K	Staff awareness of, and confidence in, policies and processes is monitored	<p>Staff awareness survey, conducted in confidence, provides an indication of staff awareness and confidence in corporate policies and procedures.</p> <p>Whilst no formal survey has been conducted regarding staff awareness and confidence in policies and processes, an internal Human Resource Management client survey showed high satisfaction with the services provided, which also reflects satisfaction with processes.</p> <p>It is expected that as part of the Agency's Strategic Human Resource Plan, a regular employee opinion survey will be developed that will cover such issues as staff awareness of, and confidence in, policies and processes.</p> <p>All people management policies and practices are currently under review in the Agency. Action for 2003-2004 will be decided based on the outcomes of the review and a reassessment of the data that is required.</p>
2 L	Policies and processes have been modified/ updated in the last 12 months	<p>No policies were modified in this reporting period as the Agency conducted a major review and update in 2003-2004.</p> <p>All agency specific employment policies and processes are under review. A plan for modification or updating will be developed once the existing Equal Opportunity Management Plan and Sexual Harassment Policy is renewed. The new Equity and Diversity Plan provides clear objectives and strategies and covers a wider range of diversity issues, especially Indigenous employment and development.</p> <p>Policies including grievance procedures, criminal checks, conference attendance, management of aggression, discipline, performance management and agency Human Resource delegations were reviewed and updated in 2002-2003.</p> <p>Policies and procedures have been generally updated to reflect current practices in the agency. However a full review of policies and procedures is scheduled in the People Management and Development Plan as a priority for 2003-2004.</p>

Agency Compliance Rate (Indicator 2 K to 2 L)



discipline and inability

Summary of Disciplinary and Inability Cases 2000-2003

Year	Provision	Cases B/Fwd	New Cases	Cases Completed	C/Fwd
2002-2003	Inability	3	3	3	3
	Summary	0	1	1	0
	Dismissal* Discipline	3	71 #	63	11
2001-2002	Inability	1	5	3	3
	Summary	0	7	7	0
	Dismissal* Discipline	3	7	7	3
2000-2001	Inability	4	1	4	1
	Summary	0	3	3	0
	Dismissal* Discipline	14	16	27	3

* excluding summary dismissal

The increase in discipline cases during this reporting period, can be attributed largely to a major investigation conducted by the Department of Justice into the misuse of computers whereby 52 cases of breach of discipline were proven and formal cautions were issued.

Summary of Disciplinary and Inability Appeals 2000-2003

Year	Provision	Total Appeals Handled			C/Fwd
		B/Fwd	New	Appeals Resolved	
2002-2003	Inability	0	0	0	0
	Summary	1	1	1	1
	Dismissal* Discipline	0	0	0	0
2001-2002	Inability	1	0	1	0
	Summary	1	1	1	1
	Dismissal* Discipline	0	0	0	0
2000-2001	Inability	0	1	0	1
	Summary	1	2	2	1
	Dismissal* Discipline	1	3	4	0

*excluding summary dismissal

training and development

Training Expenditure

The total agency on formal training activities is summarised below. It should be noted that for this purpose, formal training activities include all training activities which have a structured plan and format designed to develop job related skills and competence. Examples include workshops, lectures, training seminars and learning programs. Informal training, for example on the job training is excluded from the scope of this survey.

Agency	Training Expenditure
Auditor General	\$0
Business, Industry and Resource Development	\$403,954
Chief Minister	\$33,007
Office of the Commissioner for Public Employment	\$49,144
Community Development, Sport and Cultural Affairs	\$234,367
Darwin Port Corporation	\$44,782
Department of Corporate and Information Services	\$96,801
Department of Justice	\$386,586
Department of Employment Education and Training	\$3,204,137
Department of Health and Community Services	\$2,043,999
Department of Infrastructure, Planning and Environment	
Legislative Assembly	\$14,526
Ombudsman	\$11,471
Police, Fire and Emergency Services	\$7,464,458
Power Water Corporation	\$2,900,000
Treasury	\$126,385

Education and Training

The Department of Employment, Education and Training invested significant resources establishing 'Lighthouse Schools' at Nightcliff and Katherine which provide a model of innovative teaching and learning practice. Some 465 teachers and principals participated in professional development at these schools in the reporting period.

The Department of Health and Community Services leadership development course was finalised in October 2002. Some 18 participants completed the course.

NT Police, Fire and Emergency Services College received accreditation as a Registered Training Organisation for a further five years.

The Department of the Chief Minister conducted a self-leadership session. This was an interactive session on how to cope with high workloads and the challenge of an ever changing workplace. This session focused on goals such as wellbeing and high performance.

Several agencies including the Department of Community Development, Sport and Cultural Affairs and Treasury, reported, upgraded or revised performance management systems. The Department of the Chief Minister will be developing and implementing a new performance management system and capability assessment tool in the next year. The Department of Community, Development Sport and Cultural Affairs developed and implemented an online corporate induction package.

The Department of Community Development, Sport and Cultural Affairs and Northern Territory Police, Fire and Emergency Services reported a departmental or organisation wide approach to training and development. The Department of

Employment, Education and Training is seeking to develop such an approach.

The Department of Corporate and Information Service and the Office of the Commissioner for Public Employment reported that they had provided training to prepare their staff for the *Freedom of Information act*.

The Department of Infrastructure, Planning and Environment reported that training for selection panels resulted in very low rate of appeals and the use of trained facilitators to promote good team building resulted in low number of disciplinary cases.

International Exchanges and Appointments

The Northern Territory Fire, Rescue and Emergency Service (NTFRES), provided lectures to 20 students from United States Michigan State University in relation to fire and biodiversity in the Northern Territory.

Darryl Day, from Power and Water Corporation has been appointed to the international water association board.

Department of Justice hosted a volunteer from Germany to assist with the Customary Law Project.

Awards and Fellowships

Department of Community Development, Sport and Cultural Affairs

A Churchill Fellowship was awarded to Margie West, Curator of Aboriginal Art and Material Culture, to undertake international travel to explore display techniques in North American institutions.

A Gordon Darling Global Travel Grant was awarded to Angus Cameron, Arts and Museums Education Officer, to travel to and undertake

research in Australian's major museums and art galleries.

A Gordon Darling Global Travel Grant was awarded to Anna Malgorzewicz, director of Museum and Art Galleries of the Northern Territory, to visit international museums and art galleries to secure potential venues for Museum and Art Galleries of the Northern Territory development exhibitions, and to explore new developments in overseas museums and galleries.

Power and Water Corporation

A Churchill Fellowship awarded to Paul Heaton to study use of soil aquifer treatments in the United States of America.

Challenges

The Department of Community Development, Sport and Cultural Affairs was the only agency to identify Indigenous staff development as a challenge in the next period. The Department of the Chief Minister is initiating an Indigenous policy capacity building program. In this program, Indigenous NTPS employees will be given opportunities to assist and develop their skills in policy writing.

Both the Department of Community Development, Sport and Cultural Affairs and the Department of Infrastructure, Planning and Environment specified the development of remote employees as a future challenge.

The Department of Health and Community Services, Ombudsman and the Health Complaints Commission also referred to the challenge of providing quality training across a diverse, geographically spread clientele with limited resources.

The Department of Infrastructure, Planning and Environment was the only agency to refer to developing skills within the agency in view of the large numbers of employees who will be retiring in coming years.

Police, Fire and Emergency Services, Power and Water Corporation and the Department of Employment, Education and Training all reported large scale priorities such as implementing the recommendations from the O'Sullivan Review, reviewing the entirety of the approach to training and development and implementing the Department of Employment, Education and Training Workforce development Strategy.

Northern Territory Public Sector Personnel Statistics Report

For the purpose of this report, reference to NTPS includes all agencies except the Northern Territory University, the Batchelor Institute of Indigenous Tertiary Education, Northern Territory Rural College, the Menzies School of Health Research, Territory Insurance Office and the Legal Aid Commission. However, it includes a substantial number of persons employed under Acts other than the *Public Sector Employment and Management Act* (PSEMA). The latter consists of uniformed police, employees of the Northern Territory Tourist Commission, employees of the Aboriginal Areas Protection Authority and ministerial staff.

Staffing Levels

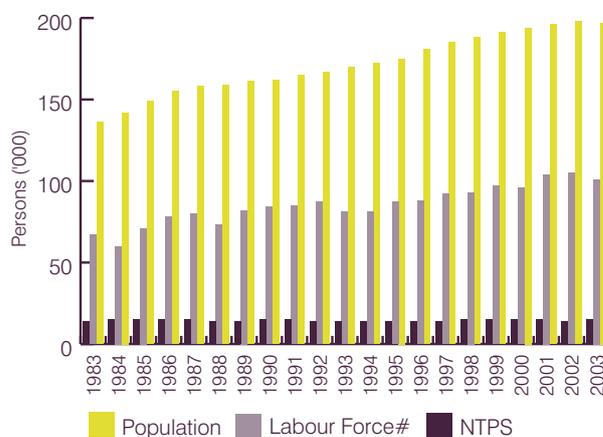
Figure 1 shows movements in total staffing in the NTPS compared to changes in the Northern Territory population and employment numbers from 1983 to 2003. There has been an overall increase in public sector employment from around 14,200 to 14,580 persons over this period. Note that Public Sector data from the 1980s and early 1990s was compiled under a different methodology to that used subsequently. Nevertheless, the basic assumptions are similar enough to make broad comparisons valid.

It needs to be noted that the calculations involved in computing full time equivalent (FTE) staffing were fine-tuned in 1999. The staffing series from

1995 onward has been revised subsequently, using the modified computations. Some results in this report may, as a consequence, differ from those in publications produced by OCPE in the late 1990s.

Aggregation of the data shows that from the year 1983 (which is about the time the NTPS consolidated following self government) to 2003, the Northern Territory population grew by 45% while the labour force grew by 51%. Conversely, the NTPS is currently only 3% larger than it was in 1983. While some of this apparent lack of relative expansion of the public sector can be attributed to the outsourcing of some functions and to the removal of some Commonwealth funded units from Budget (most recently Batchelor College, Northern Territory Rural College and the Legal Aid Commission, all in 1999), there is no doubt that the NTPS in 2003 is more streamlined and efficient than it was 20 years ago.

Figure 1: Growth in the NTPS, Labour Force and Population from June 1983 to 2003



Average over May, June and July

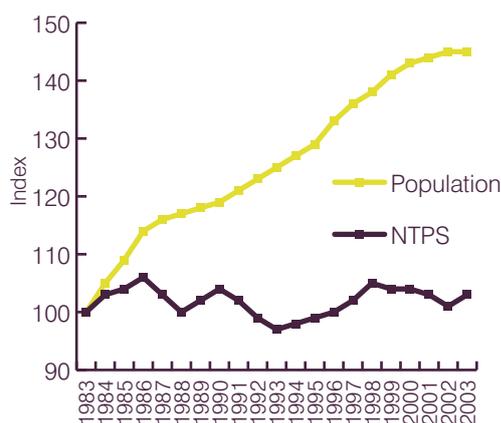
The change in the size of the public sector from 1983 is compared directly to population growth in Figure 2. The graph shows that the population of the Northern Territory has grown steadily during this period while NTPS staffing has been subject to substantial variation, first peaking in 1986 at around 15,000. The decrease

that followed was precipitated by substantial cuts in Federal funding to the Northern Territory following a review of State/Territory financing. Staffing numbers then steadily increased until the Northern Territory Government's Estimates Review Committee decisions in 1991 predicated a further three-year decline of close to 1,000 public servants.

This reduction, however, proved to be unsustainable as there then followed another period of growth, which peaked in 2,000 (taking into account the above mentioned agencies going off Budget). The series subsequently again declined, with a drop in 2001-2002 of nearly 290 people following the outsourcing of information technology (involving about 120 people), significant Budget cuts to agencies and a major restructuring of the service following a change of government. This restructure reduced the number of individual agencies from 35 to 19, which created some uncertainty regarding staffing budgets and required staffing levels. This process of significant change appears to have consolidated this year as staff numbers have increased by 235 over the 12 months to June 2003.

the previous year, together with the change over these two periods. The reason that agency staffing comparisons are not for the entire year is because the current Agency structure was only finalised during the March quarter 2002, and so only the June 2002 quarter figures are comparable with current Agency data. In addition, comparisons of quarterly data 12 months apart effectively removes any seasonal effects on staffing numbers.

Figure 2: Movements in NT Population and NTPS Staff 1983 to 2003



Base of each index 1983 = 100

Full time equivalent (FTE) staffing numbers for each agency are shown in Figure 3. This table shows the staffing averaged over the June quarter for both the current reporting year and

Figure 3: Changes to Average Public Sector Staff Employed by Agency: June qtr. 2002 to June qtr. 2003

Agency	Average June quarter 2002	Average June quarter 2003	Change
Aboriginal Areas Protection Authority	25	24	-1
Auditor General	3	4	1
Business, Industry and Resource Development	645	624	-21
Chief Minister	240	278	38
Commissioner for Public Employment	46	48	2
Community Development, Sport and Cultural Affairs	482	534	52
Darwin Port Corporation	51	52	1
Corporate and Information Services	737	709	-28
Employment, Education and Training	3,727	3,806	79
Health and Community Services	3,877	3,875	-2
Infrastructure, Planning and Environment	1,300	1,312	12
Justice	785	836	51
Legislative Assembly	91	94	3
Ombudsman	17	18	1
Police, Fire and Emergency Services	1,296	1,330	34
Power and Water	650	658	8
Tourist Commission	106	98	-8
Trade Development Zone	5	5	0
Treasury	220	233	13
Total	14,303	14,538	235

Note 1: Numbers refer to the full time equivalent of all paid staff including those on paid leave and casual employees

Staffing Overview

The analysis in the following sections is based mainly on data extracted from the Personnel Information and Payroll System (PIPS) reports. Most figures, summaries and tables refer to individual employees, not to their full time equivalent (FTE) status. The basic criterion for an individual being included in the summary is that they had a positive FTE figure as defined by PIPS (that is, they recorded a pay transaction of some description) in the final pay of the reporting period.

As has been stated in previous Annual Reports, from the early 1980s until 1992-1993, staffing analyses in these reports relied largely on data contained in a previous personnel database. The generality of the analysis was limited under this system, as some agencies utilised facilities other than the default database for maintaining detailed personnel records. From the middle of 1993, the PIPS system came into general use. Consequently, most time series comparisons described below start at that point in time.

Comparisons made using data after June 1993 (that is, using all PIPS data) are generally accurate, although care should be taken when noting small changes in some variables as profiles may have changed slightly with both changes in definitions and with developments in processing protocols. In addition, the FTE staffing calculation was fine-tuned in late 1999 to decrease the variance in the FTE figure.

The revised calculation has been back-cast to 1995. It was not possible to go back any further, as prior to this time pay data was not back-loaded into PIPS as part of pay processing. Consequently, caution should be exercised when making detailed comparisons of some current data with PIPS data extracted prior to 1995.

The current report encompasses all agencies except the Northern Territory University, the Batchelor Institute of Indigenous Tertiary Education, Northern Territory Rural College, the

Menzies School of Health Research, Territory Insurance Office and the Legal Aid Commission. Darwin Port Corporation is not included in some analyses as it does not utilise the payroll facilities of the PIPS System (due to their award specifying weekly rather than fortnightly pays).

Staffing by Employment Status

Data on the employment categories of staff from June 1994 through to June 2003 is presented in Figure 4. It is clear that the profile has changed significantly over this time. From the early 1990s up until the year 2000 the concept of permanency appeared to be slowly dissolving and being replaced by the employment of temporary/contract employees. This produced a drop of 4.6% in the proportion of permanent employees between 1994 and 2000. In the three subsequent years to the present, the proportion has slowly but steadily increased by 1.4%, so that the net decrease in the proportion of employees classified as 'permanent' since 1994 now stands at 3.2%. It is conjectured that the flexibility provided to managers by utilising temporary staff has needed to be tempered by the provision of permanent employment in order to attract certain categories of employees and to promote stability in the public sector workforce.

Figure 4 : Employment Status of NTPS Staff – 1994 to 2003

Status	Jun '94	Jun '95	Jun '96	Jun '97	Jun '98	Jun '99	Jun '00	Jun '01	Jun '02	Jun '03	Change '94 to '03
Permanent	81.6%	80.1%	78.2%	78.4%	76.8%	78.0%	76.9%	77.6%	78.1%	78.3%	-3.3%pts
Temporary	15.6%	17.0%	19.1%	18.9%	20.3%	19.3%	20.0%	19.5%	18.9%	18.7%	3.1%pts
Casual	2.1%	2.2%	2.0%	2.1%	2.4%	2.5%	2.9%	2.8%	2.8%	2.8%	0.7%pts
Misc.	0.7%	0.7%	0.7%	0.6%	0.5%	0.2%	0.2%	0.1%	0.2%	0.2%	-0.5%pts
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Permanent part time staffing

In recent years permanent part time work has been utilised as an option to assist in retaining the valuable skills of employees who are striving to spend more time attending to family responsibilities without leaving the labour market. The number of NTPS employees in this employment category is currently over 900. This represents 7.4% of the permanent workforce. An increase of 80 persons in this category over the previous 12 months and nearly 550 more than were working permanent part time in 1994. The steady increase of the proportion of workers in this type of employment over the past nine years is shown in Figure 5.

Figure 5: Permanent Part time in the NTPS – 1994 to 2003

Status	Jun '94	Jun '95	Jun '96	Jun '97	Jun '98	Jun '99	Jun '00	Jun '01	Jun '02	Jun '03	Change '94 to '03
Permanent Part time	3.1%	3.8%	3.8%	4.0%	4.4%	5.3%	5.5%	6.1%	6.8%	7.4%	4.3%pts

Staffing by gender

The proportion of women in the NTPS as at June 1993 was 54.3%. Since that time that figure has risen slowly but steadily to reach 60.8% in June 2003 (see Figure 6). This represents an average annual increase in the proportion of women of slightly less than 0.7%, although the increase for the past 12 months was only 0.2%. While this increase may seem surprising, it is nevertheless in line with the Australian Bureau of Statistics finding that the labour force participation rate for women (that is, the number of women either in work, or looking for work) has increased significantly over the last 20 years, whereas, that for men has decreased.

Figure 6: Proportion of Women in the NTPS - 1993 to 2003

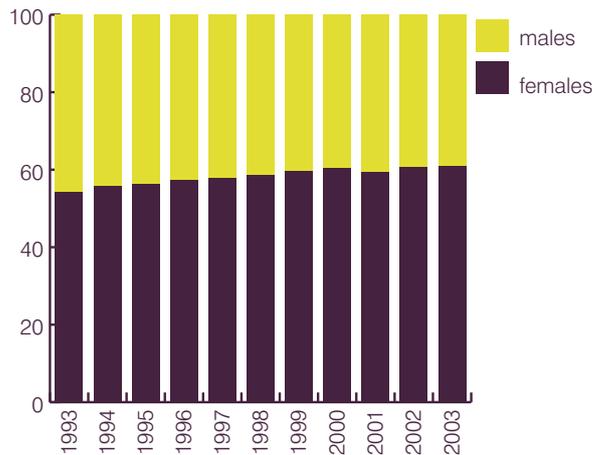


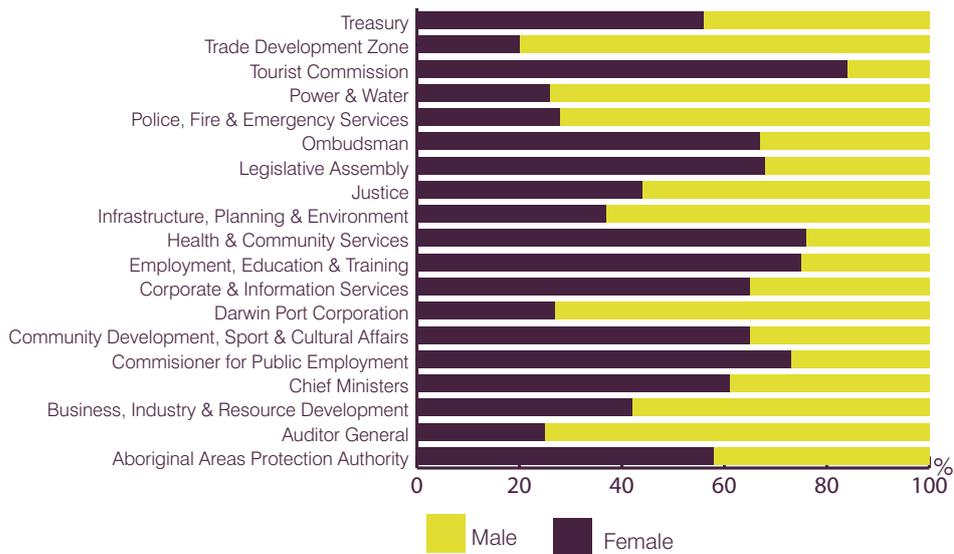
Figure 7 indicates the change in the percentage of females by vocational stream in June 1994 and June 2003. It can be taken as a positive change from the EEO perspective that the very high over-representation of women in the health professions has shown some decline (with the proportion of males increasing by 1.4%, presumably due to nursing becoming more popular with males) and that, conversely, the predominance of men in the uniformed stream has reduced significantly. It is less fortunate that this trend against gender stereotyping has not been reflected in the education sector where the proportion of female teachers has actually shown a substantial increase.

Figure 7: Percentage of Females by Employment Stream - June 1994 and June 2003

Percent females			
Stream	1994	2003	Difference
Admin Staff	67.6%	71.1%	3.5%
Prof Staff	40.8%	49.1%	8.3%
Technical Staff	19.2%	26.5%	7.3%
Physical Staff	40.2%	43.2%	3.0%
Teaching Staff	65.6%	73.2%	7.6%
Health Workers	83.5%	82.1%	-1.4%
Uniformed Staff	12.7%	19.8%	7.1%
Total	55.6%	60.8%	5.2%

The proportions of females to males in agencies are represented in Figure 8. While this division can be misleading for very small agencies (as the make up of these agencies staffing can vary considerably with staff changes over time), the graph shows quite clearly that there are some large agencies where one gender predominates. Given the nature of the work in most of these agencies, it is hardly reasonable to expect that this will change substantially in the short to medium term. Nevertheless, the gender by stream data in the following section suggests that some of this imbalance is slowly changing.

Figure 8: Proportions of Males and Females by Agency All Employees – 2002

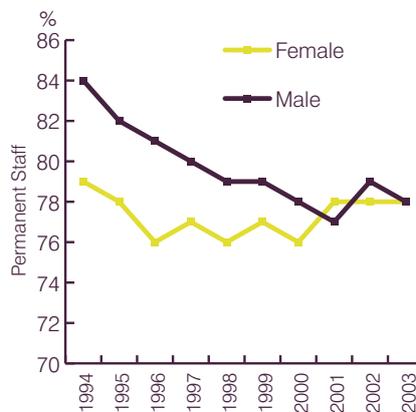


Status by gender

Figure 9 graphs the proportion of permanent staff by gender from 1994 through to 2003. This is quite revealing in that it shows that the drop in the proportion of permanent staff over the last nine years (detailed in Figure 4) was not split evenly between men and women. While the initial drop was at a similar rate, the proportion for females levelled out from 1996, while that for men continued to decrease until a convergence in 2001. They have remained at that same level for the last three years. It is reasonable to suggest that this decrease of men in permanent positions could relate to the changing face of the Australian labour force as described by the Australian Bureau of Statistics research referred to above.

In this context of comparing status with gender, is also noteworthy that of the 900 employees currently in permanent part time work, 90% are female.

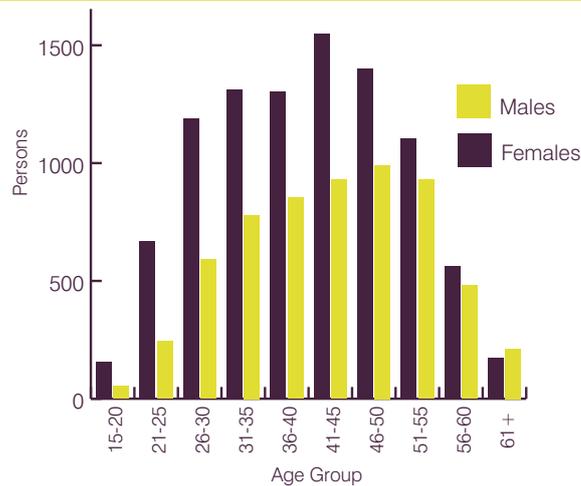
Figure 9: Proportion of Permanent Staff by Gender NTPS 1994-2003



Age by gender

Figure 10 illustrates the division of staffing by age and gender as at June 2003. The overall characteristic of previous years remains, in that while women in the NTPS remain in the majority, they also remain concentrated in the lower age groups.

Figure 10: Distribution of Men and Women in the NTPS by Age Group - June 2003 - All Employees



The average age of NTPS personnel from June 1993 to June 2003 is shown in Figure 11, which indicates that over the 10 years the overall average has risen by 2.9 years. The overall rate of ageing is similar for men and women.

There was concern expressed last decade about continued public sector staffing restraint leading to an ageing public sector and a shortage of suitably trained younger personnel to take over senior positions. The focus more popular currently, lies with the overall ageing of the population, a phenomenon that leads to the same result. With data from 10 points in time (Figure 11) we can now say that, whatever the cause, the effect definitely does exist.

That the average age of employees rose by 2.9 years between 1993 and 2003 should be viewed in light of the fact that ABS data indicates that between 1993 and 2002 the median age of the Australian population grew by 2.6 years. At 29.9 years, the median age of Northern Territorians is six years lower than the national average (35.9 years), nevertheless this also increased by 2.6 years over the same period. It is therefore reasonable to suggest that the cause of the slowly ageing NTPS can be, at least partially, attributed to the changing demographics of the population at large.

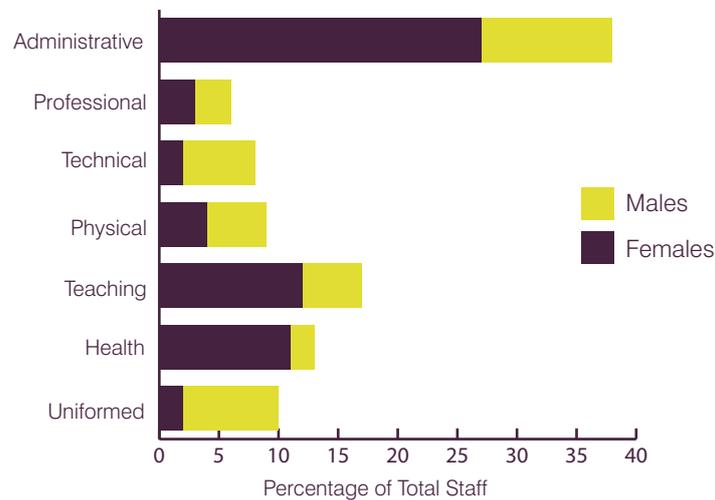
Figure 11: Average Age by Gender– NTPS Staff - 1993 to 2003

Age	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Females	37.9	38.2	38.3	38.6	39.1	39.2	39.5	39.7	40.4	40.6	41.3
Males	41.0	41.0	41.2	41.7	42.1	42.1	42.5	42.5	42.7	43.4	43.9
Overall	39.3	39.4	39.6	40.0	40.4	40.4	40.7	40.8	41.2	41.9	42.2

Classification stream by gender

While the gender balance within streams has varied as described in the discussion of Figure 7 above, there has been little change in the balance between streams over time. The largest employment category in the NTPS remains as the administrative stream, which accounts for 37% of the sector. Women remain as being overwhelmingly concentrated in Administration, Teaching and Health.

Figure 12: Distribution of Men and Women in the NTPS by Employment Category – June 2003 All Employees

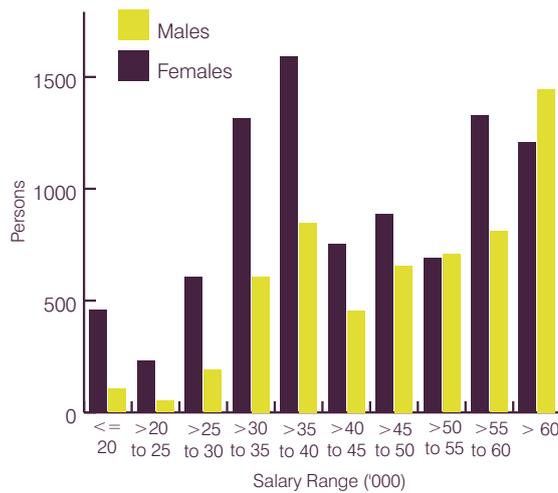


Salary by gender

As noted above, there has been a substantial increase in the participation rate of women in the traditionally male dominated professional, technical and uniformed streams. There has also been a concurrent marked increase in the numbers of women in middle and senior management. In June 1993, the proportion of women in executive classifications was 15%, whereas the figure currently stands at 27%. More strikingly, over the same period the proportion of women in the AO6 to AO8 middle management group has increased from 37% to 58%.

Despite these gains at management level there remain large numbers of women at the lower salary levels. Figure 13 illustrates the significant difference in the profiles of male and female earnings. Note, that while there is a seemingly inconsistent predominance of women in the 55,000 to 60,000 thousand dollars per year bracket, nearly 70% of these are either teachers or nurses.

Figure 13: Distribution of Men and Women in the NTPS by Salary Level - June 2003 All Employees



* Note that those on Executive Contracts have had their salaries adjusted to the approximate equivalent non-contract level in order to normalise the data in the above graph.

Executive Contracts by gender

The disparity in the proportion of females at the upper end of the overall service salary levels is repeated when the profile of those on executive contracts is drawn. Figure 14 includes not only Executive Contract Officers in the Administrative Bands (ECO1 to ECO6) but also Senior Police, Contract Principals in Education, Contract Specialist Medical Officers and Power and Water Contract Managers. At 26%, the proportion of females on contracts is almost identical to the proportion in Administrative Bands only (27%).

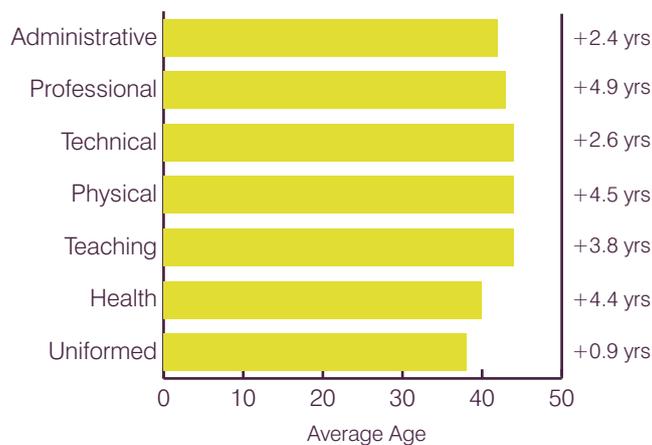
Figure 14: Executive Contracts by Gender, Classification and Salary Stream - June 2003

Salary Stream	Gender	<\$150,000	\$150,000 to \$200,000	>\$200,000	Total	Percentage
Admin. EO1 - EO6	Female	47	13	5	65	23%
	Male	146	54	19	219	77%
	total	193	67	24	284	100%
Education ECP1A - ECP3	Female	27	1		28	37%
	Male	47	1		48	63%
	total	74	2	48	76	100%
Medical	Female	1	1		2	10%
	Male	3	7	8	18	90%
	total	4	8	8	20	100%
Police	Female	0	1	0	1	8%
	Male	0	10	1	11	92%
	total	8	11	1	12	100%
Power and Water contract managers	Female	2			2	14%
	Male	12			12	86%
	total	14	22	2	14	100%
Total	Female	77	16	5	98	24%
	Male	208	72	28	308	76%
	total	285	88	33	406	100%

Age by classification stream

A plot of average age against classification stream, together with the change in median age for each stream between 1993 and 2003, is shown in Figure 15. This graph shows that uniformed staff and the health stream are on average the youngest in the NTPS. Conversely, teaching and physical staff are the oldest. It is of interest to note that while the average age of the NTPS has risen by 2.9 years since 1993 as described above, the average age increases of the individual streams differ markedly. The lowest change is that of uniformed staff with an increase of only 0.9 years. At the other end of the spectrum is that for professional classifications which rose by 4.9 years. Of concern is the significant increases for teachers and the health professions (mainly nurses), both of which are in short supply in the labour market nationally and internationally.

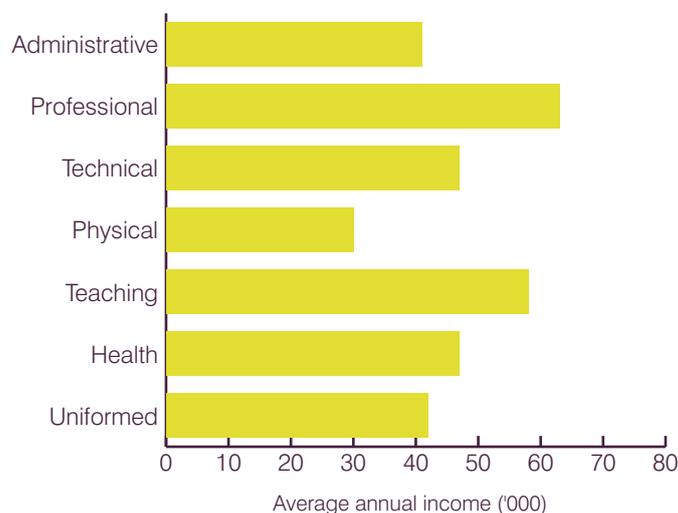
Figure 15: Average Age by Classification Stream June 2003 – All Employees with change in median age since 1993



Salary by classification stream

Average salary has been graphed against classification stream in Figure 16. This indicates, not surprisingly, that there is broad variation in the average income of the different streams. It shows that the stream with the highest average salary is professional.

Figure 16: Average Salary by Classification Stream Non Casual Employees – 2003



Salary Sacrifice by Classification Stream

One outcome of enterprise bargaining agreements negotiated in the year 2000 was the enabling of employees to enter salary sacrificing arrangements. As at June 2003 just under 9.5% of the service had taken up such arrangements. As can be seen from Figure 17, the rate of take up by stream is very broadly aligned with the average salary as charted in the previous section. This is not surprising given that such arrangements are more significance to those on higher incomes (with higher disposable income) and consequently on higher marginal rates of tax.

Figure 17: Average Salary by Classification Stream Non Casual Employees - 2003



Staff Separation and Recruitment

Staff separation and recruitment data is presented in the following table, beginning at the 1997-1998 reporting period.

Although this analysis is limited to relatively recent data, a little background knowledge is helpful in interpreting the turnover statistics. A few years prior to the introduction of PIPS, a decision was made to revise the reporting of turnover data by producing two sets of tables. One contained both permanent and temporary employees (as had been the custom) and the other included permanent employees only. The practice of using both sets of data has continued, as both have their uses in tracking turnover profiles.

Nevertheless, and as noted in previous annual reports, there is an additional complication with the interpretation of the PIPS turnover data. While the separations count is reasonably straightforward, the commencements data is a little more complex. A simple count of all commencements is simple enough, but becomes confusing when we attempt to separate permanent from temporary appointments.

Figure 18: NTPS Separation and Recruitment Rates by Employment Category 1997-1998 to 2002-2003 – Permanent Staff*

	1997-1998		1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Sep. Rate	Rec. Rate										
	%	%	%	%	%	%	%	%	%	%	%	%
Administrative	12	4	13	3	10	4	10	4	10	3	9	4
Professional	14	7	13	5	10	7	11	6	10	6	11	5
Technical	11	5	12	6	10	5	7	5	9	3	8	6
Physical	15	6	12	7	11	6	12	8	12	6	10	6
Teaching	14	3	12	3	9	2	10	2	11	3	13	9
Health Workers	27	19	23	20	20	13	18	10	17	9	13	8
Uniformed	8	12	9	6	7	9	7	9	8	4	8	8
Total	14	7	13	6	11	6	11	5	11	4	10	6

The data shows that it is quite common for individuals to be hired as temporary employees and then, after gaining relevant experience, to win permanent positions. Their status is simply transferred across to permanent on the main database, but this is (quite reasonably) not reflected in the commencement report. The commencements data thus shows them as being recruited to temporary, rather than to permanent positions. The net result is that the figures for recruitment of permanent staff fall far below those for separation of permanent staff without this actually being the case.

Figure 19: NTPS Separation and Recruitment Rates by Employment Category 1997-1998 to 2002-2003 PERMANENT and TEMPORARY STAFF

	1997-1998		1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	Sep. Rate	Rec. Rate										
	%	%	%	%	%	%	%	%	%	%	%	%
Administrative	24	25	27	25	27	30	28	27	28	26	25	28
Professional	28	28	27	27	25	29	31	27	25	23	27	24
Technical	23	24	20	18	21	20	21	17	17	13	14	15
Physical	35	36	31	32	28	29	29	31	31	30	29	29
Teaching	21	24	21	25	22	24	23	20	22	23	22	24
Health Workers	58	58	52	56	52	56	59	57	54	56	58	58
Uniform	9	15	9	9	7	12	7	12	8	7	9	11
Total	27	29	27	28	27	30	28	27	28	27	27	28

As also noted previously there has been an overall fall in the proportion of permanent staff of 3.2% over the past 10 years. This is obviously far less than would be predicted by taking the difference between the commencement and separation rates for permanent staff in Figure 18 at face value. Logic tells us that, given the slight downward trend in the proportion of permanent employees as described, the fact is that the actual recruitment rate of employees as permanent, or who become permanent, is just slightly less than their rate of separation.

In last year's annual report it was noted as significant that the proportion of staff recruited as permanent had, for every stream, 'decreased significantly over the six year period outlined', having dropped steadily from 7% during 1996-1997 to 4% during 2001-2002. The figure for 2002-2003 has, surprisingly, jumped back to 6%. As can be seen from Figure 18, the main components of this increase came from the education stream (which more than tripled its intake of permanents compared to the previous year) and the uniformed stream (which doubled its permanent intake). While definitive reasons for this turnaround cannot be stated with confidence, it is most likely tied in with management strategies to improve staff retention as suggested earlier in the section titled 'Staffing by Employment Status'.

**Figure 20: Separation Statistics for the period 01/07/2002 to 30/06/2003
Permanent and temporary staff***

	Admin	Teaching	Health	Professional	Technical	Uniformed	Physical	Total
Cessation - Temporary	620	168	484	106	45	0	130	1,553
Deceased	6	4	1	1	1	1	0	14
Dismissal	8	16	2	0	0	3	21	50
Resignation	695	340	639	170	107	117	196	2,264
Retire Invalid	8	2	1	0	2	3	2	18
Retire Max Age	10	2	4	0	3	1	5	25
Retire Min Age	14	8	0	0	1	0	2	25
Retire Other	8	9	2	0	1	1	0	21
Retrenchment	36	2	0	0	2	0	3	43
Other	9	1	0	0	0	0	0	10
Total	1,414	552	1,133	277	162	126	359	4,023

* Does not include casual staff or those on long term workers compensation

The breakdown of separations by type (For example, resignation or retirement) is listed by stream in Figure 20. With respect to this table, it is important to note that the number of actual resignations from the service is just under half of the total separations. Of possible note is that while the total number of cessations dropped slightly from the previous year, the number recorded as resignations increased by nearly 240 (12%). It is difficult to say whether this may or may not be a significant change following the change of government, as analysis of historical data indicates an apparent almost random year to year variation in the number of resignations.

It is also of interest to look at the profile of those permanent employees who resign from the service. It might be expected that gaining permanency in the public sector would commonly lead to a reasonable period of stable employment. However, of the 1,395 permanent employees who elected to leave during 2002-2003, 47% had two years or less service and over 65% had under five years service. In the light of this, it has been hypothesised previously that these 'early' retirees may have comprised a substantial number of generation Xers. This much debated subset of society, born in the 1960s and 70s, are reputed to value permanence less than those born earlier. In fact, the average age of those leaving with two years or less service was 35 whereas the overall average age of this group was 39.

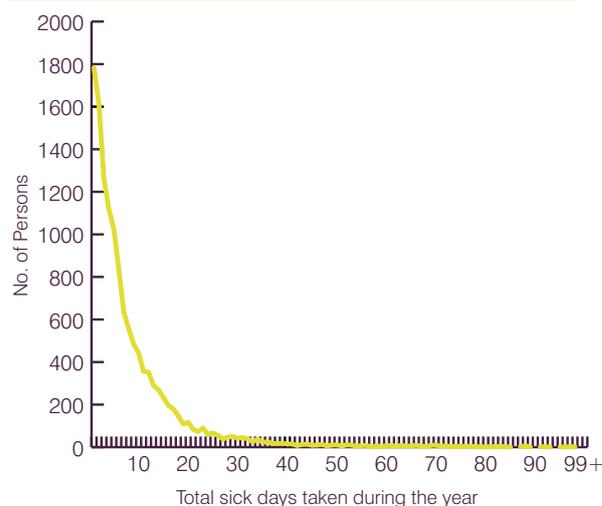
This is the third year running producing results of this type and so adds additional weight to the hypothesis. The implication is that there should be some cause for concern regarding, for example, the huge cost of continuing training for new employees and the question of where the future store of critical corporate knowledge will reside.

Sick Leave

Figure 21 shows the distribution of the number of days sick leave with pay taken by individual employees during 2002-2003. The graph shows that the most frequent occurrence was one sick day taken. From this high starting point the curve then drops off steeply, and then starts to flatten out. The average (median) number of sick days taken was just over four (last year it was just under four).

Something not obvious from the graph is that there are significant numbers of people recorded as taking extended periods of sick leave (For example, 269 taking over 50 days during 2002-2003). As mentioned in previous annual reports there are two aspects to this. The first is that this figure is on the high side of the true value. It is common for cases that are eventually classified as worker's compensation to be initially entered as sick leave on the PIPS database. If the compensation claim is allowed then the sick leave is re-credited on the worker's personal record, but this entry does not correct the original entry in the data table from which the PIPS report is generated. Thus, a significant, but unknown, proportion of the leave reported here is actually worker's compensation. While leave recording remains as an important area for management, it needs to be viewed in the context of this value being about half the figure recorded for 1994-1995. While there is no conclusive evidence, it is thought that the reduction is at least partly explained by the streamlining of procedures since the introduction of the *Public Sector Employment and Management Act*, and by the centralisation of personnel processing in the Department of Corporate and Information Services.

Figure 21: Days Sick Leave taken by Individuals in the NTPS in the Year 2002-2003 - All Employees



The average (median) amount of sick leave taken for each employee for the last eight financial years is shown in Figure 22. The data suggests that there has been a marginal increase in the average days taken over that time. At 4.2 days, the figure for this year is slightly lower than that for last year but a small change over a single year cannot be taken as signalling a turn-around.

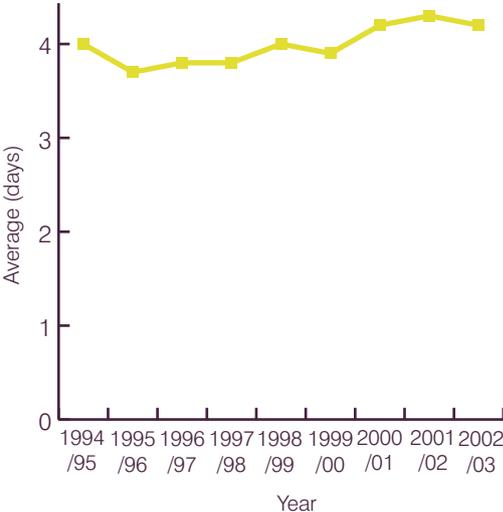
These changes need to be viewed in the context of the provision of family leave. This was first provided for in the NT as part of the 1994 Enterprise Bargaining Agreement (EBA) which allowed up to five days to be taken when caring for sick family members. This maximum was extended to 10 days in the 1997 EBA.

While family leave was, in theory, immediately available to the whole sector, there is some anecdotal evidence that knowledge and consequent utilisation of this facility may have been slower in some sectors of the service than others. This anecdotal evidence would be enough to explain the incremental increases.

More detailed examination of the data shows that there has been an increase in the number of employees taking small amounts of sick leave. For instance the number taking no sick days at all during the year fell from about 1,850 during 1993-1994 to under 1,200 during 2002-2003.

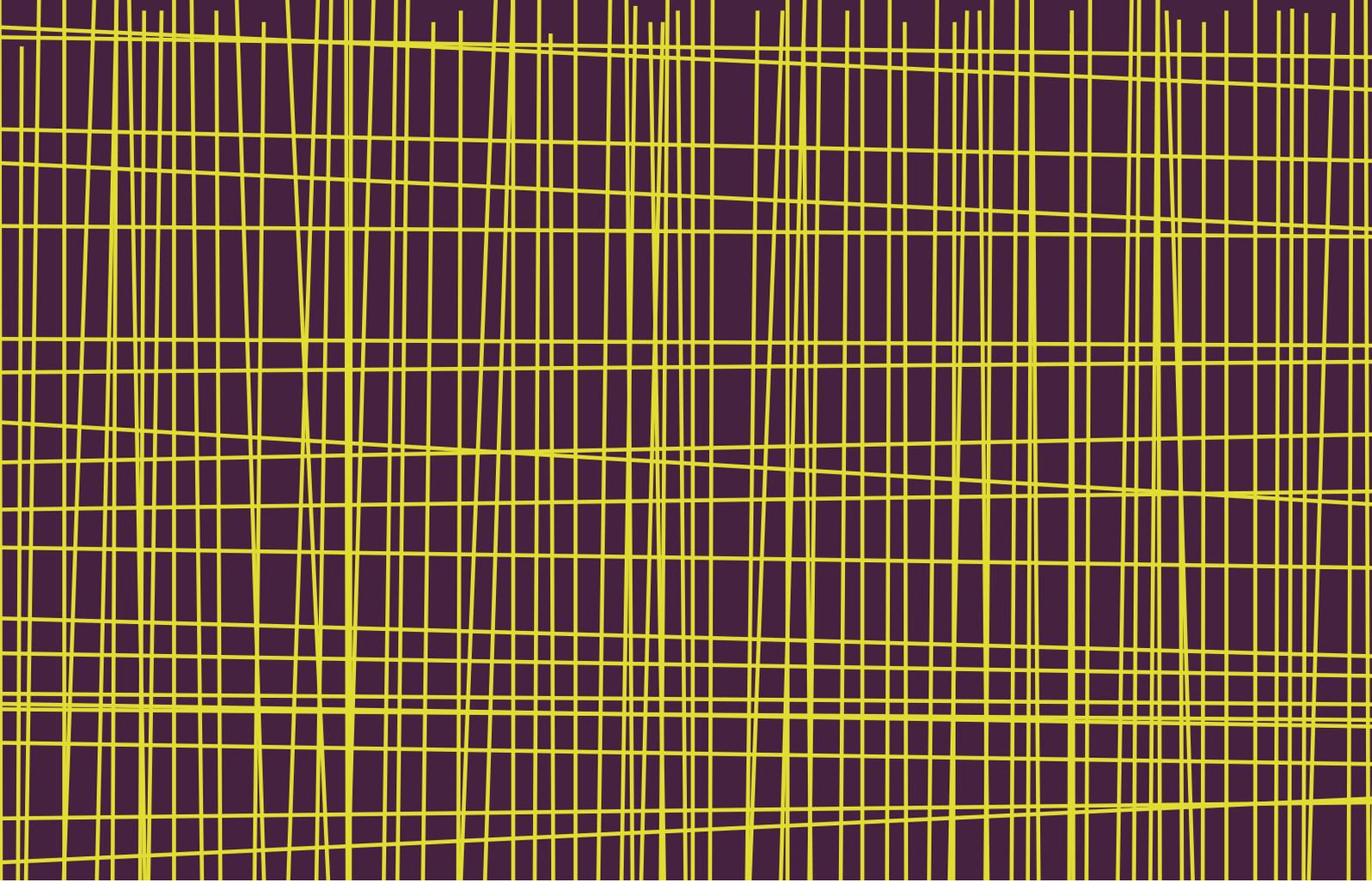
Nevertheless, as described earlier, there has been a large decrease in the number of people taking extended sick leave. As a consequence, the average (median) number of days taken has shown little change. In other words, the better management of over-use of sick leave has effectively counteracted the increased utilisation due to caring for family members. Consequently, the net effect has been almost neutral.

Figure 22: NTPS - average (median) sick days taken per employee 1994 to 2003



glossary

AIRC	Australian Industrial Relations Commission
EBA	Enterprise Bargaining Agreement
DCIS	Department of Corporate and Information Services
DEET	Department of Employment, Education and Training
DHCS	Department of Health and Community Services
DIPE	Department of Infrastructure, Planning and Environment
IECDS	Northern Territory Public Sector Indigenous Employment and Career Development Strategy 2002-2006
DOJ	Department of Justice
Kigaruk	Kigaruk Indigenous Men's Leadership Development Program
NICP	National Indigenous Cadetship Program
NTPS	Northern Territory Public Sector
NTU	Northern Territory University
DCM	Department of the Chief Minister
OCPE	Office of the Commissioner for Public Employment
RWD	Remote Workforce Development
DCDSCA	Department of Community Development, Sport and Cultural Affairs
DBIRD	Department of Business, Industry and Resource Development
Legislative Assembly	Department of the Legislative Assembly
IPAA	Institute of Public Administration Australia



financial statements

For the Year Ended 30 June 2003

office of the commissioner for public employment **financial** report

For the Year Ended 30 June 2003

Financial Statement Overview

The Office of the Commissioner for Public Employment operating expenses were within budget and the agency revenue was less than forecast, which has resulted in a deficit of \$339,000. The agency revenue was less than forecast because of fewer training programs being conducted throughout the year and a requirement to reduce our agency revenue and increase our output revenue.

The Office is addressing these issues to ensure revenue forecasts are achieved in the future.

The Commissioner's Responsibility

I advise in respect of my duties as Accountable Officer, the accompanying financial statements have been prepared in accordance with the *Financial Management Act* and the Treasurer's Directions and to the best of my knowledge and belief:

- the financial information provided is complete and free of material misstatements including omissions;
- I have established and maintained an adequate internal control structure to ensure proper financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial information;
- there have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems;
- there have been no irregularities that could have a material effect on the financial information;
- there are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial information;
- all events subsequent to period end which require adjustment or disclosure have been adequately recognised or disclosed in the financial information;
- all non current assets disclosed in the financial information are controlled by the Agency
- allowances for depreciation included in the financial information have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unsuitable;
- all liabilities, both actual and contingent, and all guarantees that the Agency has given to third parties have been adequately disclosed in the financial information;
- the Agency has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial information;
- the Agency has no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value; and

office of the commissioner for public employment

financial report

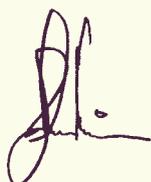
For the Year Ended 30 June 2003

- the Agency has satisfactory title to all assets and there are no liens or encumbrances on the Agency's assets, except for those disclosed in the financial information.

The following have been properly recorded in the Agency's financial records and, where appropriate, adequately disclosed in the financial information;

- Arrangements involving restrictions on cash balances, compensating balances and lines of credit or similar arrangements;
- Where appropriate, investments have been marked to market;
- Losses arising from sale and purchase commitments;
- Write offs, postponements, wavers, ex gratia payments and gifts;
- Agreements and options to buy back assets previously sold;
- Details of all build, own, operate agreements or build, own, operate and transfer agreements;
- Material liabilities or contingent liabilities or assets including those under derivative financial instruments;
- Unasserted claims or assessments that the Solicitor for the Northern Territory has advised us are probable of assertion;
- Losses and costs arising from the fulfilment of, or inability to fulfil, any sale commitments or as a result of purchase commitments for the completion of capital works in progress, inventory quantities in excess of normal requirements or at prices in excess of prevailing market;
- Material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets; and
- Assets pledged as collateral.

The balances reported in the Financial Statements and accompanying notes have been prepared in accordance with the Treasurer's Directions.



JOHN KIRWAN
Accountable Officer

office of the commissioner for public employment

statement of financial performance

For the Year Ended 30 June 2003

	Note	2003 \$'000
Operating Revenue		
<i>Sales of Goods and Services</i>		
Output Revenue		4,221
Other Agency Revenue		813
Profit/Loss on Disposal of Assets	3	1
Total Operating Revenue	2	5,035
Operating Expenses		
Employee Expenses		3,130
<i>Administrative Expenses</i>		
Purchases of Goods and Services		2,079
Repairs and Maintenance		159
Depreciation and Amortisation	6	3
Other Administrative Expenses		2
Total Operating Expenses	2	5,374
Net Operating Surplus/(Deficit)	2	(339)

The statement of financial performance is to be read in conjunction with the notes to the financial statements.

office of the commissioner for public employment

statement of financial position

For the Year Ended 30 June 2003

	Note	2003 \$'000
Assets		
<i>Current Assets</i>		
Cash and Deposits	4	1,733
Receivables	5	120
Total Current Assets		1,853
<i>Non-Current Assets</i>		
Property, Plant and Equipment	6	20
Total Non-Current Assets		20
Total Assets		1,873
Liabilities		
<i>Current Liabilities</i>		
Creditors and Accruals	7	725
Provisions	8	484
Total Current Liabilities		1,209
Total Liabilities		1,209
Net Assets		664
Equity		
Capital	9	1,003
Accumulated Funds	9	-339
Total Equity		664

The statement of financial position is to be read in conjunction with the notes to the financial statements.

office of the commissioner for public employment

statement of financial position

For the Year Ended 30 June 2003

	Note	2003 \$'000 (Outflows)/ Inflows
Cash Flows From Operating Activities		
<i>Operating Receipts</i>		
Receipts from Sales of Goods and Services		
Output Revenue Received		4,221
Other Agency Receipts		1,293
Total Operating Receipts		5,514
<i>Operating Payments</i>		
Payments to Employees		(3,024)
Transfer of Long Service Leave Liability		(611)
Payments for Goods and Services		(1,817)
Interest Paid		
Total Operating Payments		(5,452)
Net Cash from Operating Activities	10	62
Cash Flows From Investing Activities		
<i>Investing Payments</i>		
Purchase of Assets	6	(15)
Total Investing Payments		(15)
Net Cash Used in Investing Activities		(15)
Cash Flows From Financing Activities		
<i>Financing Receipts</i>		
Equity Injection		611
Total Financing Receipts		611
Net Cash Used in Financing Activities		611
Net Increase in Cash Held		658
Cash at Beginning of Financial Year		1,075
Cash at End of Financial Year	4	1,733

The statement of cash flows is to be read in conjunction with the notes to the financial statements.

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

1 Statement of Significant Accounting Policies

(a) Objectives and funding

The Office of the Commissioner for Public Employment's mission is to, in partnership with our clients, add value to the work environment in the NT by establishing policy and practice frameworks in employee relations and development of capability.

The Office is predominantly funded by Parliamentary appropriations. The financial statements encompass all funds through which the Office controls resources to carry on its functions.

In the process of reporting on the Office as a single Agency, all intra Agency transactions and balances have been eliminated.

(b) Working for Outcomes

Stage 1 of the Territory's new financial and performance management framework Working for Outcomes was introduced on 1 July 2002. Stage 1 introduced the fundamental reforms of accrual accounting, accrual reporting and accrual output budgeting underpin the framework. Appropriation reforms were also introduced as part of Stage 1. Two distinct types of appropriation were introduced, output and capital, and appropriation is now provided on a net basis, net of Agency revenue rather than Activity level.

As 2002-2003 is the first year the Agency has adopted accrual accounting and reporting under the new framework, comparatives for 2001-2002 have not been provided in the financial statements and accompanying notes, except where detailed.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the Government's ownership interest in Government controlled entities.

The Central Holding Authority also records all Territory items. Territory items are revenues, expenses, assets and liabilities controlled by the Government and managed by agencies on behalf of the Government. The main Territory item is Territory revenue, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies.

(c) Basis of accounting

The financial statements have been prepared in accordance with the requirements of the Financial Management Act and Treasurer's Directions.

office of the commissioner for public employment **notes to financial** statements

For the Year Ended 30 June 2003

Except where stated, the financial statements have been prepared in accordance with the historical cost convention.

The following is a summary of the material accounting policies which have been adopted in the preparation of the financial statements.

(d) Revenue recognition

Revenue is recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Output revenue

Output revenue represents Government funding for Agency operations and is calculated as the net cost of Agency outputs after taking into account funding from Agency revenue.

The lack of accrual data history necessitated interim arrangements for appropriation during 2002-2003. The net cost of Agency outputs for output appropriation purposes does not include any allowance for major non-cash costs such as depreciation.

Revenue in respect of this funding is recognised in the period in which the Agency gains control of the funds.

Grants and other contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Agency obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Sale of goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer.

Rendering of services

Revenue from rendering services is recognised in proportion to the stage of completion of the contract.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

Sale of non-current assets

The profit or loss on disposal of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The profit or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Contribution of assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised as revenue at the fair value of the asset received when the entity gains control of the asset or contribution.

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payable in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

(f) Interest expenses

Interest expenses include interest and finance lease charges and are expensed as incurred.

(g) Cash and deposits

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash includes cash on hand, cash at bank and cash equivalent assets controlled by the Agency. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

Bank overdrafts are carried at the principal amount.

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

(h) Inventories

Inventories, comprising mainly of raw materials are carried at the lower of cost and net realisable value.

(i) Receivables

The collectibility of debtors or receivables is assessed at balance date and specific provision is made for any doubtful accounts.

Trade debtors to be settled within 30 days.

(j) Property, plant and equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5,000 are recognised in the year of acquisition and depreciated as outlined below. Property, plant and equipment below the \$5,000 threshold are expensed in the year of acquisition.

The cost of property, plant and equipment constructed by the Agency includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent additional costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their useful lives.

Construction work in progress

As part of Stage 1 of *Working for Outcomes*, Department of Infrastructure, Planning and Environment is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for most capital works is provided directly to the Department of Infrastructure, Planning and Environment and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Agency.

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

Revaluations

After initial recognition, assets belonging to the following classes of non-current assets are revalued using the fair value basis in accordance with the Treasurer's Directions:

- Land;
- Buildings;
- Infrastructure assets;
- Cultural assets;
- Self generating and regenerating assets; and
- Intangibles.

Agency assets belonging to the above classes are progressively revalued with sufficient regularity, to ensure that the carrying amount of these assets does not materially differ from fair value. Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms length transaction.

Other classes of non-current assets are not subject to revaluation and are measured on a cost basis.

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements.

Depreciation and amortisation

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset, for the current year, are in accordance with the Treasurer's Directions and are provided as follows:

	<u>Period</u>
Plant and equipment	5 Years

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

(k) Leased assets

Leases under which the Agency assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Finance leases

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the lease property.

(l) Accounts payable

Liabilities for trade creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Agency. Trade creditors are normally settled within 30 days.

(m) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and annual leave. Liabilities arising in respect of wages and salaries and annual leave expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

No provision has been made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken indicates that accumulated sick leave will never be paid.

Employee benefits expenses are recognised in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, sick leave and other leave entitlements; and

- other types of employee benefits are recognised against profits on a net basis in their respective categories.

office of the commissioner for public employment **notes to financial** statements

For the Year Ended 30 June 2003

As part of the introduction of *Working for Outcomes*, the Central Holding Authority assumed the long service leave liabilities of Government Agencies, including the Office of the Commissioner for Public Employment (OCPE). The actual liability was transferred from Agency ledgers during 2002-2003. This resulted in a reduction in the OCPE's liabilities of \$611,000 and a corresponding increase in its equity of \$611,000.

Technical requirements within the reporting and accounting system necessitated the transferring journals to be recorded as cash transactions. There is no net cash effect. However, the inflow and outflow are reported in the financing and operating sections of the Statement of Cash Flows respectively.

(n) Superannuation

Employees' Superannuation entitlements are provided through the NT Government and Public Authorities Superannuation Scheme (NTGPASS), Commonwealth Superannuation Scheme (CSS) and non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The Agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or the non-government employee nominated schemes. Any liability for government superannuation is met directly by the Central Holding Authority and the Agency has and will continue to have no direct superannuation liability.

(o) Rounding of amounts

Amounts in the financial statements and notes to the financial statements have been rounded to the nearest thousand dollars.

office of the commissioner for public employment

notes to financial statements

For the Year Ended 30 June 2003

2 Statement of Financial Performance by Output Groups

2003
\$'000

	Output Group 1	Total
Operating Revenue		
<i>Sales of Goods and Services</i>		
Output Revenue	4,221	4,221
Other Agency Revenue	813	813
Profit/Loss on Disposal of Assets	1	1
Total Operating Revenue	5,035	5,035
Operating Expenses		
Employee Expenses	3,130	3,130
<i>Administrative Expenses</i>		
Purchases of Goods and Services	2,079	2,079
Repairs and Maintenance	159	159
Depreciation and Amortisation	3	3
Other Administrative Expenses	2	2
Total Operating Expenses	5,374	5,374
Net Operating Surplus/(Deficit)	(339)	(339)

3 Profit/loss on Disposal of Non-current Assets

Proceeds from the disposal of non-current assets	1
Profit/(Loss) on the disposal of non-current assets	1

4 Cash and Deposits

Cash on hand	1
Cash at bank	1,732
	1,733

5 Receivables

Current	
Trade debtors	85
Other receivables	35
Total receivables	120

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For the Year Ended 30 June 2003

6 Property, Plant and Equipment

Plant and equipment

At cost	39
Accumulated depreciation	(19)
	<u>20</u>
Total property, plant and equipment	<u>20</u>

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Plant & Equipment	Total
Cost		
Value at the beginning of the year	83	83
Assets introduced on adoption of accrual accounting	0	0
Additions	15	15
Disposals	0	0
Transfers	(59)	(59)
Revaluation		0
Value at the end of the year	<u>39</u>	<u>39</u>
Accumulated depreciation		
Value at the beginning of the year	73	73
Assets introduced on adoption of accrual accounting	0	0
Depreciation and amortisation	3	3
Disposals	0	0
Transfers	(57)	(57)
Value at the end of the year	<u>19</u>	<u>19</u>
Written down value		
Value at the beginning of the year	<u>0</u>	<u>0</u>
Value at the end of the year		
Purchase of non-current assets		
Payments for acquisition of plant and equipment		<u>15</u>
		<u>15</u>

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For the Year Ended 30 June 2003

7 Accounts Payable

Trade creditors	221
Other creditors and accruals	504
	<u>725</u>

8 Provisions

Current	
<i>Employee benefits</i>	
Annual leave	410
Leave loading	54
<i>Other current provisions</i>	
Other provisions	20
	<u>484</u>
Total provisions	<u>484</u>

9 Equity

(a) Capital

Balance at the beginning of year	0
Equity Recognised on Adoption of Accrual Accounting	238
Equity Transfers In	154
Assumption of long service leave to Central Holding Authority Note 1 (m)	611
Balance at the end of year	<u>1,003</u>

(b) Accumulated Funds

Balance at the beginning of year	0
Current year operating surplus/(deficit)	(339)
Balance at the end of year	<u>(339)</u>

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notes to financial statements

For the Year Ended 30 June 2003

10 Notes to the Statement of Cashflows

Reconciliation of net operating surplus/deficit to net cash used in operating activities.

Net Operating Surplus/(Deficit)	(339)
<i>Non-Cash Items</i>	
Depreciation	3
Assets Written Down	2
Repairs and Maintenance – Minor New Works	154
<i>Changes in Assets and Liabilities</i>	
Decrease/(Increase) in receivables	130
Decrease/(Increase) in prepayments	31
(Decrease)/Increase in accounts payable	424
(Decrease)/Increase in provision for employee benefits	83
Transfer of Long Service Leave to CHA	(611)
(Decrease)/Increase in other provisions	(14)
(Decrease)/Increase in Deferred Income	197
Net cash flows from/(used in) operating activities	62

11 Services Received Free of Charge

Contract administration	635
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12 Commitments

Non-cancellable operating lease expense commitments

Future operating lease commitments not provided for in the financial statements and payable:

Within one year	24
One year and no later than five years	28
Greater than five years	0
	52

The Agency leases property under non-cancellable operating leases expiring from 0 to 4 years. Leases generally provide the Agency with a right of renewal at which time all terms are negotiated.

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notes to financial statements

For the Year Ended 30 June 2003

- a) **Contingent liabilities**
The Office of the Commissioner for Public Employment does not have any material contingent liabilities to report in 2002-2003
- b) **Contingent assets**
The Office of the Commissioner for Public Employment does not have any contingent assets to report in 2002-2003.

13 Write Offs, Postponements and Waivers

	Agency	
	2003 \$'000	No of Trans.
Write offs, waivers and postponements under the <i>Financial Management Act</i>		
Represented by:		
Public property written off	2	1
Total	<u>2</u>	<u>1</u>
Write offs, postponements and waivers authorised under other legislation	<u>2</u>	<u>1</u>