



OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

# Annual Report 2018-19

## Purpose of the report

The 2018-19 Office of the Commissioner for Public Employment Annual Report highlights achievements during the year against the OCPE Strategic Plan and the key deliverables outlined in the 2018-19 Budget Paper No. 3.

This report has been prepared to meet the requirements of section 18(2)(d) of the *Public Sector Employment and Management Act 1993*, sections 11-13 of the *Financial Management Act 1995* and other statutory agency reporting requirements. It provides the minister, the Northern Territory Legislative Assembly, and other interested parties with information about:

- » the functions and objectives of OCPE
- » the legislation administered
- » the organisation and structure of OCPE
- » operations, initiatives, and achievements of OCPE
- » financial planning and performance
- » the extent to which the public sector principles have been upheld
- » management training and staff development programs
- » occupational health and safety programs.

The Commissioner for Public Employment also provides a separate report on human resource management in the Northern Territory Public Sector in the annual Northern Territory Public Sector State of the Service Report, as required by section 18 of the *Public Sector Employment and Management Act 1993*.

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# Letter to the Minister

The Honourable Gerald McCarthy MLA  
Minister for Public Employment  
GPO Box 3146  
Darwin Northern Territory 0801

Dear Minister McCarthy

In accordance with the provisions of the *Public Sector Employment and Management Act 1993*, I submit the 2018-19 Annual Report on the activities and achievements of the Office of the Commissioner for Public Employment (OCPE) for the year ending 30 June 2019.

Pursuant to the *Public Sector Employment and Management Act 1993*, *Financial Management Act 1995*, *Information Act 2002*, and *Carers Recognition Act 2006*, I advise that to the best of my knowledge and belief:

- a) proper records of all transactions affecting the agency are kept and that employees under their control observe the provisions of the *Financial Management Act 1995*, the Financial Management Regulations and Treasurer's Directions
- b) procedures within the agency afford proper internal control and a current description of such procedures is recorded in the Accounting and Property Manual, which has been prepared in accordance with the requirements of the *Financial Management Act 1995*
- c) no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists
- d) in accordance with the requirements of section 15 of the *Financial Management Act 1995*, the internal audit capacity available to the agency is adequate and the results of internal audits have been reported to me
- e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions
- f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- g) all public sector principles, contained in section 5 of the *Public Sector Employment and Management Act 1993*, have been upheld by OCPE during the financial year
- h) OCPE is working in compliance with the *Information Act 2002*
- i) obligations under the *Carers Recognition Act 2006* and Northern Territory Carers Charter have been satisfied.

It is a requirement of the *Public Sector Employment and Management Act 1993* that you lay a copy of this report before the Legislative Assembly within six sitting days of you receiving it.

Yours sincerely



Vicki Telfer  
Commissioner for Public Employment

30 September 2019

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# Acronyms and abbreviations

AECD	Aboriginal Employment and Career Development Division
AEU	Australian Education Union
ANZSOG	Australia and New Zealand School of Government
ARMC	Audit and Risk Management Committee
CEO	Chief Executive Officer
CLF	Capability and Leadership Framework
CPE	Commissioner for Public Employment
DCIS	Department of Corporate and Information Services
DCA	Darwin Computer Academy
DCM	Department of the Chief Minister
DEP	Disability Employment Program
ECO	executive contract officer
EEO	equal employment opportunity
ER	Employee Relations Division
FTE	full-time equivalent
FWC	Fair Work Commission
HR	human resources
ICT	information and communications technology
IECDS	Indigenous Employment and Career Development Strategy
ILO	International Labour Organisation
IML	Institute of Managers and Leaders
IPAA	Institute of Public Administration Australia
IR	Industrial Relations
JES	(Mercer) Job Evaluation System
KPI	key performance indicator
NT	Northern Territory
NTG	Northern Territory Government
NTPS	Northern Territory Public Sector
OCPE	Office of the Commissioner for Public Employment
OHS	Occupational Health and Safety
PIPS	Personnel Integrated Payroll System
PSAB	Public Sector Appeals Board
PSA&GR	Public Sector Appeals and Grievance Reviews Division
PSCC	Public Sector Consultative Council
PSEMA	<i>Public Sector Employment and Management Act 1993</i>
PSMP	Public Sector Management Program
QUT	Queensland University of Technology
SOAFAA	Selection Outcome Advice for All Applicants
SWPD	Strategic Workforce Planning and Development Division
TRM	Territory Records Manager
WHS	Work Health and Safety

# Commissioner's foreword

Welcome to the Office of the Commissioner for Public Employment (OCPE) Annual Report for the 2018-19 reporting period. The report has two purposes:

- » to fulfil the Commissioner for Public Employment's (CPE's) responsibility, as the agency Chief Executive Officer, under section 18(2)(d) of the *Public Sector Employment and Management Act 1993* (PSEMA) to report to the Minister for Public Employment on the operations of OCPE for 2018-19
- » to provide an account of OCPE's achievements for 2018-19 and outline priorities for 2019-20.

The report includes an overview of OCPE, its purpose, priorities, performance and people. The structure of the performance reporting section is aligned with the outputs from the Northern Territory 2018-19 Budget Paper No. 3.

The whole of government focus on improving inclusion and diversity in the Northern Territory Public Sector (NTPS) continued in 2018-19. A new Disability Confident Manager eLearning program was introduced, with almost 120 employees participating in the course during the year. A total of 244 employees completed the OCPE Cross-Cultural eLearn, and the inaugural Hands Up for Inclusion Week was held, with over 475 registrations to attend sessions in Alice Springs and Darwin. Sessions focused on creating mentally healthy workplaces, improving disability employment, and the ageing workforce.

The CPE conducted a comprehensive review of the NTPS Special Measures Aboriginal Recruitment Plans, which have now been in operation across the NTPS for over four years. Information and data collected in the review confirmed that Special Measures recruitment works well in achieving its aims of increasing recruitment of Aboriginal applicants, with an increase from 6% pre-Special Measures to 15% after its implementation. The review also recommended better education about Special Measures to increase understanding of the initiative, and in response to this, OCPE has developed a new Special Measures eLearning course, which is free for all NTPS employees.

OCPE continues to work with agencies to increase and retain their Aboriginal employees, and maintain the

number of Aboriginal employees at a level in excess of 10% of the NTPS workforce. The Aboriginal Employees' forums were held in both Darwin and Alice Springs, with strong attendance and positive feedback on how OCPE can continually grow and improve these forums and future programs.

Enterprise Bargaining Agreement negotiations also continued in 2018-19, with six agreements approved by the Fair Work Commission (FWC), two agreements awaiting FWC approval, and in-principle agreement for a further two agreements. OCPE also continued to support agencies that are implementing restructuring and major change.

A review of certain aspects of PSEMA commenced, to evaluate its efficiency and effectiveness in contributing to the productivity of the NTPS, in addition to the PSEM By-law review following the finalisation of the NTPS General bargaining round.

Efforts to develop core capability and leadership skills in the NTPS continued during 2018-19, with almost 580 participants taking part in professional development programs that OCPE auspice. OCPE also supported the Recognition of Service events hosted by the Minister for Public Employment that honoured over 119 long serving NTPS employees.

I would like to acknowledge the work undertaken by Craig Allen during his five years as Commissioner for Public Employment as well as the key stakeholders with whom we work including agency CEOs, HR officers, unions, the Fair Work Commission, and the Minister for Public Employment and his staff.

I would also like to thank David Braines-Mead for capably acting as Commissioner for Public Employment, and all OCPE staff for their support of the CPE in 2018-19. OCPE's achievements in 2018-19 are a reflection of the dedication, commitment, professionalism and energy they bring to their roles each day.



Vicki Telfer  
Commissioner for Public Employment  
30 September 2019







About the Office of the  
Commissioner for Public  
Employment

# Functions of the Commissioner

## Overview

The OCPE is a central agency within the NTPS and is responsible for public sector workforce management and development, and industrial relations.

The OCPE supports the CPE's statutory employer role as defined in the *Public Sector Employment and Management Act 1993* (PSEMA). The CPE also provides strategic and policy advice to support the Minister for Public Employment in undertaking duties under PSEMA.

The functions of the CPE, as defined in section 13 of PSEMA, are:

- » to determine the respective designations and other terms and conditions (including the remuneration) of employment for employees
- » to promote the upholding of the public sector principles
- » to determine practices and procedures relating to the recruitment and employment of persons as employees, the promotion of employees and the employment, transfer, secondment, redeployment, discipline and termination of employment of employees and any other matters relating to human resource management
- » to consult with and advise CEOs in relation to the development and application of appropriate human resource practices and procedures in their agencies
- » to consult with CEOs in relation to the application of public employment policies in their agencies
- » to advise the Minister on, and monitor the implementation of, public employment policies
- » to develop uniform systems, standards and procedures for the determination of designations and the allocation of designations to employees in their agencies and assist CEOs in the application of those systems, standards and procedures
- » to assist CEOs in evaluating the performance of employees employed in their agencies
- » to coordinate training, education and development of programs in conjunction with CEOs
- » to conduct or cause to be conducted, inquiries and investigations into, and reviews of, the management practices of agencies
- » to consult with CEOs on the development of appropriate standards and programs of occupational health and safety
- » to assist, as appropriate, CEOs in the performance of their functions relating to the management of their agencies
- » such other functions as are imposed on him or her by or under this or any other Act, or as directed by the Minister.

## Administrative Arrangements Order

Under the Administrative Arrangements Order, OCPE has principal responsibility for the following areas of government administration:

- » industrial relations
- » public sector wages policy
- » public sector management and development
- » development and coordination of public and private employment strategies.

## Legislation

The Administrative Arrangements Order gives OCPE responsibility for the following Acts:

- » *Annual Leave Act 1981*
- » *Correctional Officers Arbitral Tribunal Act 1950*
- » *Long Service Leave Act 1981*
- » *Police Administration Act 1978* (Part III)
- » *Public Employment (Mobility) Act 1989*
- » *Public Holidays Act 1981*
- » *Public Sector Employment and Management Act 1993*

OCPE also has responsibility for the following regulations:

- » Public Holidays Regulations 1984
- » Public Sector Employment and Management Regulations 2011.

## Key external influences

Key external influences that affect the operations of OCPE are:

- » community expectations and government policy on employment and workforce development initiatives – to acquit the Government’s responsibility as the largest employer in the Northern Territory
- » changes made to the *Fair Work Act 2009*, which is federal legislation, that may impact on NTPS employment terms and conditions, and industrial practices
- » changing community and workforce demographics, particularly in relation to the ageing workforce.

## Outputs and performance

OCPE has two output groups:

- » Employment Services (refer Chapter 3)
- » Corporate and Governance (refer Chapter 4).

## Strategic issues

The strategic issues for the 2018-19 reporting period included:

- » developing the NTPS Wages Policy in consultation with the Department of Treasury and Finance
- » negotiating and implementing NTPS enterprise agreements in line with the Wages Policy
- » facilitating and promoting professional development opportunities to build capability across the NTPS, with a focus on core skills capability, and management and leadership development
- » promoting and supporting uniform NTPS recruitment and selection policy and procedures, including the provision of training and education on Simplified Recruitment
- » facilitating a robust evidence base to support workforce planning in the NTPS
- » implementing the NTPS Aboriginal Employment and Career Development Strategy 2015-2020
- » implementing a NTPS ageing workforce policy framework
- » implementing a refreshed NTPS disability employment strategy
- » promoting the implementation of NTPS Special Measures for Aboriginal recruitment, including the provision of advice, assistance, education and a review function
- » promoting and supporting best practice employment governance.

# OCPE Strategic Plan 2017-2020

Figure 1 - OCPE Strategic Plan 2017-2020

## Office of the Commissioner for Public Employment Strategic Plan 2017 - 2020





# Key achievements for 2018-19

The key achievements for 2018-19 included:

- » Released the NTPS Aboriginal Employment and Career Development Strategy Refresh 2015-2020.
- » Aboriginal employment in the NTPS increased to 10.6% as at June 2019, an all-time high for the NTPS.
- » Aboriginal participation in senior/executive levels increased from 4.7% in June 2018 to 5.6% in June 2019.
- » NTPS Aboriginal Employee Forums were held in Darwin and Alice Springs.
- » Delivered the Aboriginal and Torres Strait Islander Employment Aspirations Program in Alice Springs.
- » Piloted the NTPS Aboriginal Employee Mentor Program in Alice Springs.
- » Concluded negotiations and reached in-principle agreement utilising a collaborative approach with unions for new NTPS enterprise agreements, including agreements covering medical officers, nurses, dental officers, firefighters, the Power and Water Corporation and Territory Generation, and Aboriginal health practitioners.
- » In conjunction with United Voice and Department of Health representatives, developed a new agreement for Aboriginal health practitioners (AHP) including a new classification structure to promote a professional and educated workforce. This will assist and support AHPs in professional development opportunities.
- » Reached agreement on a new NT Police Force Consent Agreement.
- » Progressed a review of the *Long Service Leave Act 1981* that applies to private sector employers and employees.
- » Commenced a review of the PSEMA to evaluate its efficiency and effectiveness in contributing to the productivity of the NTPS.
- » Provided training and workshops for the NTPS Human Resources community during the period, including coverage of case law and Fair Work outcomes relating to dismissals and disciplinary matters. Such training acts to inform and educate agencies on best practice so as to provide a fair and productive workplace.
- » Supported and provided high level advice to agencies on complex industrial relations matters and major change management arrangements.
- » Almost 580 employees participated in professional development activities auspiced through OCPE.
- » Delivered the 2018 *People Matter* pulse survey, achieving a record response rate of 46%, and facilitated the delivery of 19 agency sessions to present survey results.
- » Organised the whole-of-sector Recognition of Service event to recognise and reward 119 long-serving NTPS employees, two of whom were recognised for 50 years of service.
- » Delivered an online Disability Confidence eLearning program, available to all NTPS employees and at no cost to agencies.
- » Established a Disability Reference Group, consisting of disability advocates from across the NTPS, to raise awareness of issues that affect employees with disability and the strategies to improve employment outcomes.
- » Held the inaugural Hands Up for Inclusion Week attracting over 475 registrations from across the sector to attend a range of events focused on inclusion, diversity and wellbeing.
- » Administered the production and delivery of the Commissioner's Review of NTPS Special Measures Aboriginal recruitment.
- » Conducted training in Simplified Recruitment to more than 1000 participants.
- » Developed and released a new eLearning course on Special Measures Aboriginal recruitment.
- » Completed reviews of over 1950 findings of unsuitability in Special Measures selection, and did so with an average time of only 1.5 days, well below the target of five working days.

## Output performance reporting

This section describes OCPE's performance against planned outcomes for 2018-19. Reporting on performance is against outputs identified in the May 2018 Budget Paper No 3.

OCPE has two output groups: Employment Services, and Corporate and Governance.

The outcome for the Employment Services Output Group is for "a skilled, fair and creative public sector that provides the highest quality service to the Government and Territorians", and it has three outputs:

- » Employee and Industrial Relations
- » Workforce Planning and Development

- » Public Sector Appeals and Grievance Reviews.

The Outcome for the Corporate and Governance Output Group is to "improve organisational performance through strategic and governance leadership and the provision of appropriate corporate functions" and it has two outputs:

- » Corporate and Governance
- » Shared Services Received.

In 2018-19, OCPE operated with an approved end-of-year Budget of \$7.8 million across all output groups. OCPE's reported total expenses for the financial year were \$7.8 million, which was in line with the approved end-of-year Budget.

The Budget movement and expenses by output for 2018-19 are outlined in the Figure 2.

Figure 2 – Budget movement and expenses by output

Output group/Output	2018-19			2018-19	
	Published budget	2018-19 Final estimate	2018-19 Actuals	Actuals against final estimates	Note
	\$000	\$000	\$000	%	
<b>Employment services</b>	<b>5 820</b>	<b>6 069</b>	<b>6 038</b>	<b>-1</b>	
Employee and industrial relations	1 996	1 996	2 267		
Workforce planning and development	3 195	3 444	3 021		
Public sector appeals and grievance reviews	629	629	750		
<b>Corporate and governance</b>	<b>1 790</b>	<b>1 703</b>	<b>1 772</b>	<b>4</b>	
Corporate and governance	578	578	646		
Shared services received	1 212	1 125	1 126		
<b>Agency total</b>	<b>7 610</b>	<b>7 772</b>	<b>7 810</b>	<b>0</b>	

The Budget increase of \$0.2 million from the original published amount of \$7.6 million in May 2019 to the final estimate of \$7.8 million includes funding carried over from 2017-18 to 2018-19 and the extension of a secondment arrangement related to the Aboriginal Employment and Career Development Strategy 2015-2020.

## Key performance indicators

The 2018-19 Budget Paper No 3 lists the following key performance indicators (KPIs) for OCPE:

<b>Employment Services</b>	
<b>Employee and Industrial Relations</b>	
» Services provided to the satisfaction of the Minister, agency chief executives and other stakeholders	> 95%
» Services provided in a timeframe satisfactory to the Minister, agency chief executives and other stakeholders	> 95%
<b>Workforce Planning and Development</b>	
» Percentage of NTPS employees who identify as:	
– Aboriginal	14.7%
– having a disability	1.5%
» NTPS employees completing OCPE leadership and capability development programs	400
» Participant rating of satisfied or higher with OCPE professional development events	> 95%
» Services provided to the satisfaction of the Minister, agency chief executives and other stakeholders	> 95%
<b>Public Sector Appeals and Grievance Reviews</b>	
» Services provided to the satisfaction of the Minister, agency chief executives and other stakeholders	> 85%
» Grievance reviews finalised within three months	> 90%
» Promotion appeals finalised within six weeks	> 90%
» Disciplinary and inability appeals finalised within three months	>90%
» Special measures reviews of unsuitable findings finalised within five days	>98%



## Stakeholder feedback – Stakeholder Satisfaction Survey

For the 2018-19 financial year, OCPE sought feedback on its KPIs for the Employment Services Output Group. A stakeholder satisfaction survey was sent to a range of stakeholders (including NTPS CEOs and employees, and external organisations), giving them the opportunity to comment on the following two KPIs:

- » services provided to the satisfaction of the Minister, agency chief executives and other stakeholders (by all OCPE divisions)
- » services provided in a timeframe satisfactory to the minister, agency chief executives and other stakeholders (by Employee Relations Division only).

Of the 173 stakeholders who had an opportunity to provide feedback, 28% (49 stakeholders) responded to the survey, with 73% of respondents indicating that they were 'satisfied' or 'very satisfied' with the services provided by OCPE. Given the low response rate, it can't be ascertained whether this result is a true reflection of all stakeholders' satisfaction with the services provided. Therefore, during the 2019-20 financial year, OCPE will endeavor to improve the data collection process for this KPI.

## Percentage of NTPS employees who identify as Aboriginal or having a disability

At 30 June 2019:

- » PIPS records indicate that 10.6% of NTPS employees identify as Aboriginal, 4.1% short of the 14.7% listed in the KPIs. Although the KPI target was not met, Aboriginal employment is at its highest ever rate.
- » PIPS records indicate that 1.2% of NTPS employees identify as having disability, just 0.3% short of the 1.5% listed in the KPIs. Data from the 2018 People Matter survey, which had a highly representative respondent sample of the workforce, indicated that 3% of NTPS employees identify as having disability and this indicator actually exceeds the 1.5% listed in the KPI.

## Number of NTPS employees completing OCPE leadership and capability development programs

In 2018-19 a total of 577 NTPS employees completed OCPE leadership and capability development programs, exceeding the KPI of 400 NTPS employees.

## Participant rating of satisfied or higher with OCPE professional development events

Of the 577 NTPS employees who completed an OCPE leadership and capability development program, a total of 95.6% of participants rated the professional development event as 'satisfied' or higher, 0.6% above the >95% listed in the KPIs.

## Grievance reviews finalised within three months

Section 59 stipulates that the CPE shall conduct a review within three months of receiving a grievance or such longer period as in the CPE's opinion the circumstances require.

During 2018-19 the time taken to resolve a section 59 grievance was, on average, 1.4 months, well within the statutory timeframe. This was a significant improvement over the 2017-18 timeframe, which was an average of 2.1 months.

Timeliness for grievances is also measured by counting the number of individual grievances that took more than three months. This measure showed that, of the 94 total grievances handled in 2018-19, seven took longer than three months to finalise. This equated to 90% of grievances completed within the statutory timeframe, which is exactly the Public Sector Appeals and Grievance Reviews' target for this measure.

## Promotion appeals finalised within six weeks

The Public Sector Appeals Board's target for completion of promotion appeals is six weeks from receipt of the appeal to determination by the Public Sector Appeals Board.

In 2018-19 the average completion time for a promotion appeal was 4.5 weeks. This compares with an average completion time in the previous year of 5.7 weeks.

## Disciplinary and inability appeals finalised within three months

The Public Sector Appeals Board's target for completion of disciplinary and inability appeals is three months from receipt of the appeal to determination by the Public Sector Appeals Board. Often this completion target is not met, mainly because Public Sector Appeals Board's practice is to generally grant requests from the parties for adjournments or further time to make submissions.

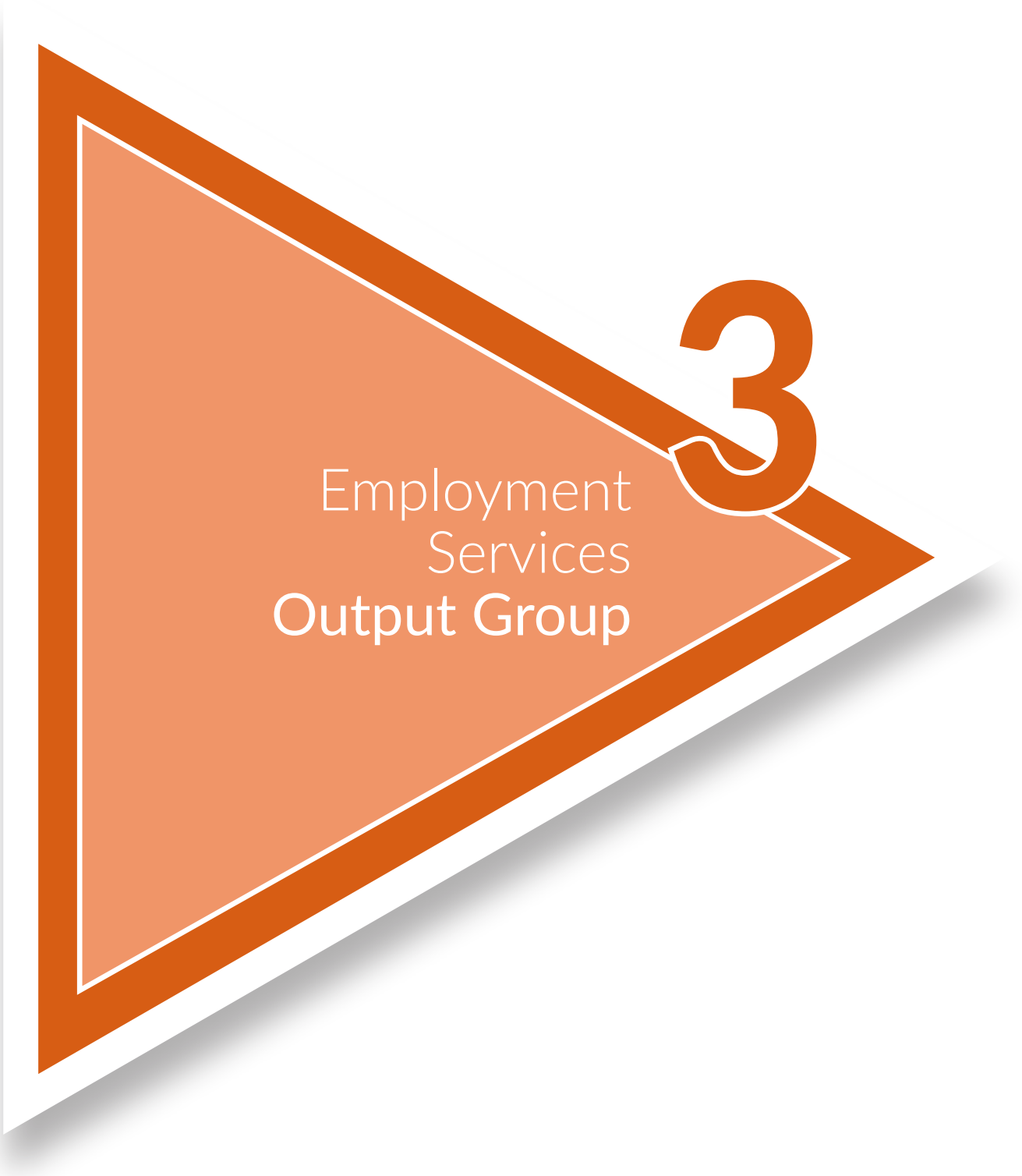
In 2018-19 the average time taken to finalise disciplinary and inability appeals has been 6.5 months, which is unchanged from last financial year.

## Special measures reviews of unsuitable findings finalised within five days

During 2018-19, Public Sector Appeals and Grievance Reviews reviewed 1924 selection panel decisions finding an Aboriginal Special Measures applicant unsuitable. Of these, 1801 were approved at the outset, and 90 (approximately 4.5%) were returned for further assessment and consideration by the panel. Of those returned, five resulted in Aboriginal applicants being employed.

The average completion time for the 1924 reviews conducted in 2018-19 was 1.5 days, with 29 (approximately 1.5%) taking longer than the five working days period which Public Sector Appeals and Grievance Reviews committed to perform the reviews within.





Employment  
Services  
Output Group

3

# Employment Services Output Group

## Employee and Industrial Relations output

The Employee and Industrial Relations output develops and manages employment policies and provides employment services that ensure NTPS employees have appropriate remuneration and conditions of service, and that merit, equity, fairness and all legislative requirements are applied to the management of NTPS staff.

### Employee Relations Division

The Employee Relations (ER) Division is responsible for developing and managing NTPS employment terms and conditions under the *Public Sector Employment and Management Act 1993*, the *Fair Work Act 2009* (Cth), and relevant enterprise agreements. Employee Relations represents the Employer in enterprise agreement negotiations and in the Fair Work Commission (FWC). Employee Relations is also responsible for providing strategic public and private sector industrial relations advice, and administering the *Long Service Leave Act 1981* and the *Public Holidays Act 1981*.

Strategic priorities during 2018-19 included:

- » negotiating 10 NTPS enterprise agreements and a Northern Territory Police Force consent agreement in accordance with the NTPS 2017-2020 Wages Policy by 14 December 2018
- » developing materials for and assisting agencies to implement the seven NTPS enterprise agreements that commenced during the period
- » developing materials for and assisting agencies to implement a number of sustainable workforce measures applied by the Northern Territory Government in relation to voluntary retrenchments, a staffing cap for each agency and a recruitment freeze for those agencies exceeding their budget or staffing cap
- » supporting agencies to implement restructures and major change

- » continuation of the *Long Service Leave Act 1981* review that applies to private sector employers and employees
- » commencement of a review of certain aspects of the *Public Sector Employment and Management Act 1993*, to evaluate its efficiency and effectiveness in contributing to the productivity of the NTPS
- » commencement of delivery of recommendations from the *A Plan for Budget Repair* report including a review of executive contract officers (ECOs) terms and conditions and wage freeze.

## Negotiating and implementing enterprise agreements in line with the Wages Policy

Under the *Fair Work Act 2009* (Cth), the Fair Work Commission must approve proposed enterprise agreements between employers and employees before they can operate.

The NTPS Teachers and Assistant Teachers 2017-2021 Enterprise Agreement was approved by the FWC during 2018-19, following a successful ballot of employees during the previous financial year.

In 2018-19, the Fair Work Commission approved six agreements. These were the:

- » Medical Officers' NTPS 2018-2021 Enterprise Agreement
- » NTPS Frances Bay Marine Facility Port Service Workers' 2018-2022 Enterprise Agreement
- » NTPS Nurses and Midwives' 2018-2022 Enterprise Agreement
- » 2018-2022 Territory Generation Enterprise Agreement
- » 2018-2021 Power and Water Enterprise Agreement
- » Northern Territory Fire and Rescue Service 2017-2021 Enterprise Agreement.

The NTPS Dental Officers 2018-2022 Enterprise Agreement was made with employees during the 2018-19 financial year. Approval of the agreement by the Fair Work Commission is expected to occur in 2019-20.

During the reporting period, in-principle agreement was reached for a new enterprise agreement for Aboriginal health practitioners and a replacement agreement for correctional officers.

Agreements covering the Northern Territory Police Force are made under Part III of the *Police*

*Administration Act 1978*. In the reporting period, in-principle agreement was reached with the Northern Territory Police Association for the Northern Territory Police Force Consent Agreement 2019. It is anticipated the Northern Territory Police Arbitral Tribunal will certify this agreement early in the 2019-20 financial year.

All agreement negotiations conducted are in accordance with the NTPS Wages Policy 2017-2020. The policy is an important component in government's fiscal strategy and the objectives of the policy are to:

- » ensure costs arising from bargaining outcomes are kept within fiscal parameters
- » deliver efficiency, effectiveness, savings, service outcomes and workplace reform across agencies
- » maintain terms and conditions
- » deliver fair wage increases
- » support collective bargaining.

The NTPS Wages Policy was amended during the reporting period and now provides for wage increases of 2% per annum, effective from 14 December 2018. The policy is reviewed before the next round of bargaining, which is due to commence from April 2021.

## Managing the Job Evaluation System

The majority of NTPS jobs are determined using the Mercer Job Evaluation System (JES). Jobs that are not subject to JES, such as physical roles and classroom teachers, are determined by competency requirements or other arrangements established under the relevant industrial instrument.

Mercer is the proprietary owner of JES and regularly conducts audits of JES in the NTPS to ensure the integrity of the system is maintained, and may recommend improvements to the system as a result. There have been no recent changes to the JES policy and procedures since the JES framework was implemented in 2016.

## Strategic public sector and private sector industrial relations policy development and management

Employee Relations engages with the Commonwealth Government, states and territories about the *Fair Work Act 2009* (Cth) and other employment related legislation. Employee Relations regularly provides advice about fair work matters to government and to NTPS agencies.

## Strategic public sector human resource management policy development

The Public Sector Consultative Council (PSCC) is an important joint union and management body established under the *Public Sector Employment and Management Act 1993* and chaired by the CPE. The PSCC met in June 2019 to consider matters relating to:

- » NTPS full-time equivalent (FTE) caps and recruitment freeze
- » Northern Territory Government (Northern Territory) budget repair recommendations and NTPS restructuring
- » strategic workforce projects
- » development of NTPS Wages Policy
- » the executive contract officers (ECO) wage freeze
- » the Industrial Relations (IR) portfolio
- » the review of the *Public Sector Employment and Management Act 1993* and subordinate legislation.

## NTPS Employment Framework

The NTPS has a single employer model and the CPE is the statutory employer of NTPS employees.

The *Public Sector Employment and Management Act 1993* requires all vacancies exceeding six months to be advertised unless otherwise approved by the

CPE. In seeking the CPE's approval to select a person without advertising, agencies must demonstrate that the merit principle has been met. During 2018-19, the OCPE received 42 requests to select without advertising. Of these, 41 requests were approved and one was declined.

## Industrial relations and employee relations advice

A key role of Employee Relations is to provide specialist industrial relations and employee relations consultancy services to agencies, employees and members of the public. Advice during 2018-19 covered:

- » interpretation of employment conditions and arrangements
- » application of employment condition provisions
- » policy and operational matters regarding consultation and change management, filling of vacancies resulting from substantial change, and redeployment processes
- » inability, discipline and probation matters
- » terminations
- » job evaluation
- » public holidays and long service leave enquiries under the *Public Holidays Act 1981* and the *Long Service Leave Act 1981*
- » processes and legal requirements for enterprise bargaining.

During 2018-19, Employee Relations appeared before the Fair Work Commission on behalf of the CPE, who is the statutory employer of all employees in 16 matters.

During 2018-19, Employee Relations assisted agencies in the resolution of matters, including restructures and management of change.



## Executive contract of employment arrangements

The CPE sets the employment terms and conditions for executive contract officers (ECO), including chief executive officers (CEO). The Executive Remuneration Review Panel considers remuneration or conditions above the minimum standard and manages the NTPS ECO Policy.

In line with government's *A Plan for Budget Repair*, a wage freeze for ECOs was implemented towards the end of the reporting period.

## Northern Territory Government input to the International Labour Organisation

The Northern Territory Government is required to report annually on ratified and unratified International Labour Organisation (ILO) conventions as specified by the ILO, through the Commonwealth Government's Department of Employment, which administers all ILO matters nationally. Employee Relations undertakes this responsibility on behalf of the Northern Territory Government.

These requests were completed and provided to the Commonwealth Government.

## Representing the Northern Territory Government on National Industrial Relations Committees and providing advice about industrial relations legislative developments

Employee Relations provides Northern Territory Government representation on the following national committees that deal with industrial relations legislation and policy:

- » National Public Sector Industrial Relations (Directors) group
- » Senior Officials' Group, which provides advice and support to ministers with responsibility for workplace relations and workplace health and safety in the Commonwealth, states and territories.

Matters dealt with during 2018-19 related to amendments to the *Fair Work Act 2009*.

## Workforce statistics and analysis

Employee Relations and Department of Corporate Information and Systems (DCIS) provide workforce statistics and analysis based on NTPS employee and pay information from a consolidated database system including:

- » reports to government on NTPS employee levels and employee demographics, including overall and with agencies
- » provision of ongoing employee data to the Department of Treasury and Finance to assist in the formulation and monitoring of budget employee targets
- » provision of human resource analysis to the Strategic Workforce Planning and Development Division (SWPD), as required to support and monitor a variety of SWPD's strategic initiatives
- » a range of other workforce data analysis and statistical advice both in-house and to agencies to inform policy development.

Employee Relations also processed additional requests for data from interstate jurisdictions and the Commonwealth Government, and prepared data and provided options for the annual State of the Service Report.

## Central management and policy development for NTPS redeployment and redundancy

OCPE manages the NTPS redeployment framework, including managing the centralised redeployment database, reviewing agency redeployee assessment reports and reviewing requests to offer voluntary retrenchment.

The primary purpose of the OCPE redeployment database is to enable employees to register their status as a redeployee to provide them with an opportunity to view and apply for vacancies before they are posted to the Northern Territory Government Employment Opportunities website.

During 2018-19, six redeployees were placed in suitable alternative positions and 113 employees accepted offers of voluntary retrenchment. Two employees were issued notice of redundancy under their relevant enterprise agreement redeployment and redundancy provisions. At the end of 2018-19, nine redeployees were registered on the OCPE database.

## Secretariat services to the Correctional Officers' Arbitral Tribunal and the Police Arbitral Tribunal, and administration of the Police Administration Act 1978 (Part III)

Employee Relations provides secretariat services to the Police Arbitral Tribunal and the Correctional Officers Arbitral Tribunal. The tribunals carry out functions similar to the Fair Work Commission but under specific Northern Territory legislation, namely the *Police Administration Act 1978* and the *Correctional Officers Arbitral Tribunal Act 1950*.

The Police Arbitral Tribunal consists of a chairperson and two members; one nominated by the Minister for Public Employment and one by the Northern Territory Police Association. The Police Arbitral Tribunal listed four matters, including an application for certification of the Northern Territory Police Force Consent Agreement 2019.

The Correctional Officers Arbitral Tribunal consists of a chairperson, a member nominated by the Minister for Public Employment, and available elected members. The *Correctional Officers Arbitral Tribunal Act 1950* allows nominations for 'available elected members' from the Northern Territory Senior Prison Officers' Association and the Northern Territory Prison Officers' Association; appointments that can be held by the same person. All appointments are for three year terms. No matters were listed for hearing during the reporting period.

## Labour inspectorate (Administration of the Long Service Leave Act 1981 and the Public Holidays Act 1981)

Employee Relations administers the *Long Service Leave Act 1981* and the *Public Holidays Act 1981*.

The *Long Service Leave Act 1981* applies to employees working in the Northern Territory if their relevant award, enterprise agreement, contract of employment, or other relevant industrial instrument either refers to this Act, or does not have long service leave provisions. NTPS and Commonwealth Government employees and construction workers registered under the NT Build portable long service leave scheme are not covered by this Act.

Authorised officers in Employee Relations (authorised by the minister) can investigate complaints of non-compliance under the *Long Service Leave Act 1981*. Twelve complaints were formally investigated during 2018-19 to determine employee entitlements under this Act. Employee Relations regularly responds to phone queries from employees and employers regarding long service leave entitlements under the Act. The majority of these relate to eligibility for payment of long service leave before 10 years of service has been completed.

## Priorities for 2019-20

The priorities for 2019-20 include:

- » finalising the ballot process and approval for new enterprise agreements to cover correctional officers and Aboriginal health practitioners
- » developing materials and assisting agencies and employees to understand new enterprise agreement provisions arising from replacement agreements
- » finalising the *Long Service Leave Act 1981* review
- » finalising the initial review of the *Public Sector Employment and Management Act 1993*
- » implementing Northern Territory Government's Workforce Sustainability Initiatives – FTE caps and voluntary redundancies targets
- » continued delivery of recommendations from *A Plan for Budget Repair* report including:
  - development of a new NTPS Wages Policy
  - finalising the updated chief executive performance agreements to incorporate staffing KPIs
  - finalising the review of the ECO terms and conditions, including ECO levels and remuneration structure
  - rationalising and harmonising conditions and reviewing entitlements across the NTPS
- commencing the expanded review of the *Public Sector Employment and Management Act 1993* to include assessment of the contemporaneity and efficiency of the broader NTPS employment framework
- » providing advice to Cabinet on submissions with staffing implications
- » supporting agencies that are implementing restructuring and major change
- » providing agencies with consultancy advice regarding workplace efficiencies and employer best practice
- » contributing to the development of human resource and industrial relations capability across the NTPS
- » analysing and responding to federal workplace relations law changes
- » collaborating with the unions on employment information for NTPS employees
- » reviewing the Public Sector Employment and Management Bylaws to address technical issues and to update common conditions in line with NTPS enterprise agreements
- » reviewing Employment Instructions, Public Sector Instruments and related determinations in light of the *Public Sector Employment and Management Act 1993* or policy review outcomes.

## Workforce Planning and Development output

The Workforce Planning and Development output builds workforce capability and capacity within the NTPS through development and implementation of strategic workforce planning, and the promotion of equity and diversity throughout the NTPS.

It also develops and promotes strategic workforce initiatives and professional development, and supports agencies to improve Aboriginal employment outcomes, inclusion, and diversity across the NTPS.

## Strategic Workforce Planning and Development Division

The Strategic Workforce Planning and Development (SWPD) Division's role is to build workforce capability within the NTPS through the development and implementation of strategic workforce planning, and development policies, strategies, and initiatives. The current areas of focus are:

- » delivery of recommendations from the *A Plan for Budget Repair* report
- » whole-of-sector strategic human capital/workforce planning, monitoring, and reporting, and policy development to address key workforce issues
- » workforce development programs and initiatives that respond to changing demographics, and building capability through access to training, tools, and resources
- » delivery of capability development programs including leadership and management, and other core corporate competencies such as policy development, performance management, project management and foundational public sector governance knowledge
- » promotion of inclusion and diversity in the NTPS, with a focus on positively influencing workplace culture to ensure all people, regardless of their

background, are welcomed and valued in the workplace

- » reward and recognition, and NTPS health and wellbeing initiatives.

## Strategic workforce planning

OCPE promotes workforce planning across the sector through the development of strategic frameworks, resources and datasets, and the implementation of initiatives to address sector-wide workforce issues.

This includes:

- » implementing inclusion and diversity strategies and initiatives, with a focus on disability employment and the ageing workforce
- » providing workforce planning tools, templates, resources and advice
- » delivering the NTPS *People Matter* employee survey and supporting agencies' analysis of the data.

## NTPS *People Matter* survey

A *People Matter* pulse survey was delivered in September 2018. The response rate was 46%, the highest achieved in the NTPS to date. The survey focused on employee engagement, job satisfaction, organisational change, and individual performance and capability.

An enhancement introduced in 2018 was the delivery of survey results briefings to management boards and executive teams across the sector to assist agencies to understand and act on their survey data.

A whole-of-sector main findings report of survey results and detailed analysis is publicly available on the OCPE website. Additionally, ongoing survey results and trends continue to inform workforce planning and development policies and initiatives.

Delivery of a full *People Matter* employee survey is planned for 2021.

## Inclusion and diversity in the NTPS

By fostering a flexible and inclusive working environment, the NTPS will unlock a broader employment market, maximise talent and create a more contemporary workforce. OCPE supports embedding inclusive behaviours at all levels and building a workforce that supports all employees to achieve their best potential. Strategies that address specific aspects of diversity are aligned to the NTPS inclusion and diversity agenda. For example, the EmployAbility Strategy implementation plan focuses on creating a cultural shift to enable the NTPS to be an inclusive employer. The improvements in the engagement of employees with disability is providing evidence that strategies and programs to improve inclusion in workplaces across the sector are producing results.

The initiatives delivered under EmployAbility in 2018-19 included:

- » implementation of a sector-wide Disability Reference Group which supports the Champions of Inclusion CEO network
- » launch of the inaugural NTPS Hands Up for Inclusion Week
- » implementation of the biennial Hands Up for Inclusion newsletter, which was distributed to all NTPS employees
- » development of a whole-of-sector Workplace Adjustment Policy, and resources which facilitate consistency for employees, and their managers, in the process of requesting workplace adjustments
- » delivery of an online Disability Confidence eLearning program, available to all NTPS employees and at no cost to agencies
- » addition of a funded opportunity on the Graduate Development Program for a person with a disability
- » conduct a sector wide human resource survey to understand and assess the progress of agency level implementation of the EmployAbility Strategy and improvement to inclusive culture
- » introduction of consistency in diversity language across human resource IT systems, recruitment messaging and job descriptions to engage applicants and enable employees to easily and consistently report their diversity characteristics.

## Disability Employment Program

Under the EmployAbility Strategy, the NTPS offers temporary employment opportunities for people with disability to support the development of employment and workplace skills and as a potential pathway to ongoing NTPS employment for people with disability.

Disability Employment Program (DEP) positions are at the entry level, and the program is structured to provide opportunities for people with disability who are not able to compete for a job based on merit. Placement with the DEP is limited to a maximum of two years.

In 2018-19, 13 people with disability were employed through the DEP across a number of agencies.

Of these employees, six have been extended on the program and one has been offered further employment at conclusion of their DEP placement.

### Improving employment opportunities for school leavers and adults with disability

OCPE and the Department of Education collaboratively established employment opportunities for school leavers with disability. In 2018-19, the Department of Tourism and Culture and the Department of Trade Business and Innovation were provided support through OCPE to employ a school leaver with disability as they completed traineeships. Both trainees have been extended on the program while they complete their qualifications.

## Workforce development

The NTPS is committed to developing sector-wide initiatives to build skills and expertise of employees for a capable, future focused and sustainable workforce.

This is achieved through accredited and non-accredited programs, partnerships with the education sector and relevant peak bodies, and streamlining procurement through panel contract arrangements. The contemporary professional development programs have an emphasis on the Northern Territory context, addressing capability gaps that are common across the NTPS.

## Capability and Leadership Framework

The Capability and Leadership Framework (CLF) underpins the leadership, capability and management programs that OCPE offer and are available to all NTPS employees.

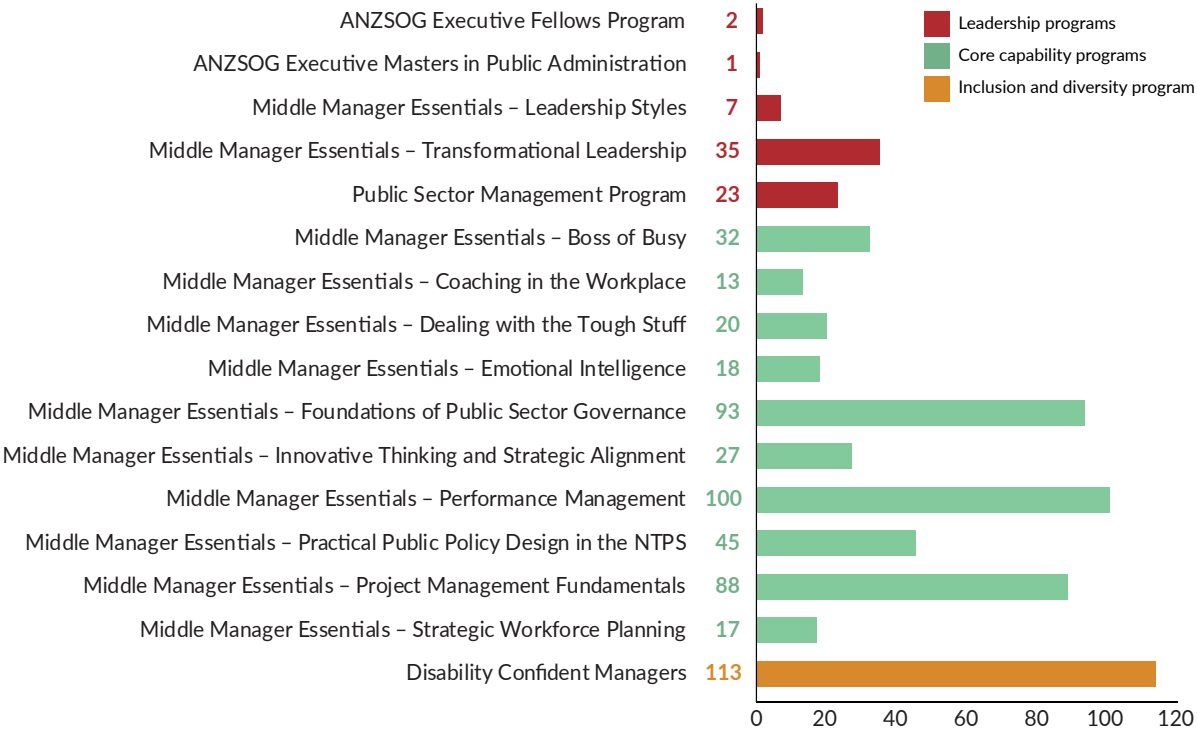
Three capability frameworks complement the CLF in the following technical/specialist areas: human resource/industrial relations, procurement and information communication technology.

The CLF was reviewed in 2018 and will be reviewed again in the coming year to ensure it continues to be contemporary and relevant.

## Leadership and capability development programs

A suite of leadership and capability development programs continued to be offered by OCPE during 2018-19, with a total of 34 programs delivered, and 577 NTPS employees participating in the programs. The leadership, capability and executive programs offered (and attendance at these programs) is shown in Figure 3.

Figure 3 – Leadership, capability and executive programs offered in 2018-19



### Middle manager development

In 2018, a Middle Manager Development Framework was developed and launched to equip and ensure the ongoing development of the leadership skills and capabilities required of NTPS middle managers. The framework, incorporating contemporary learning approaches, comprises two programs:

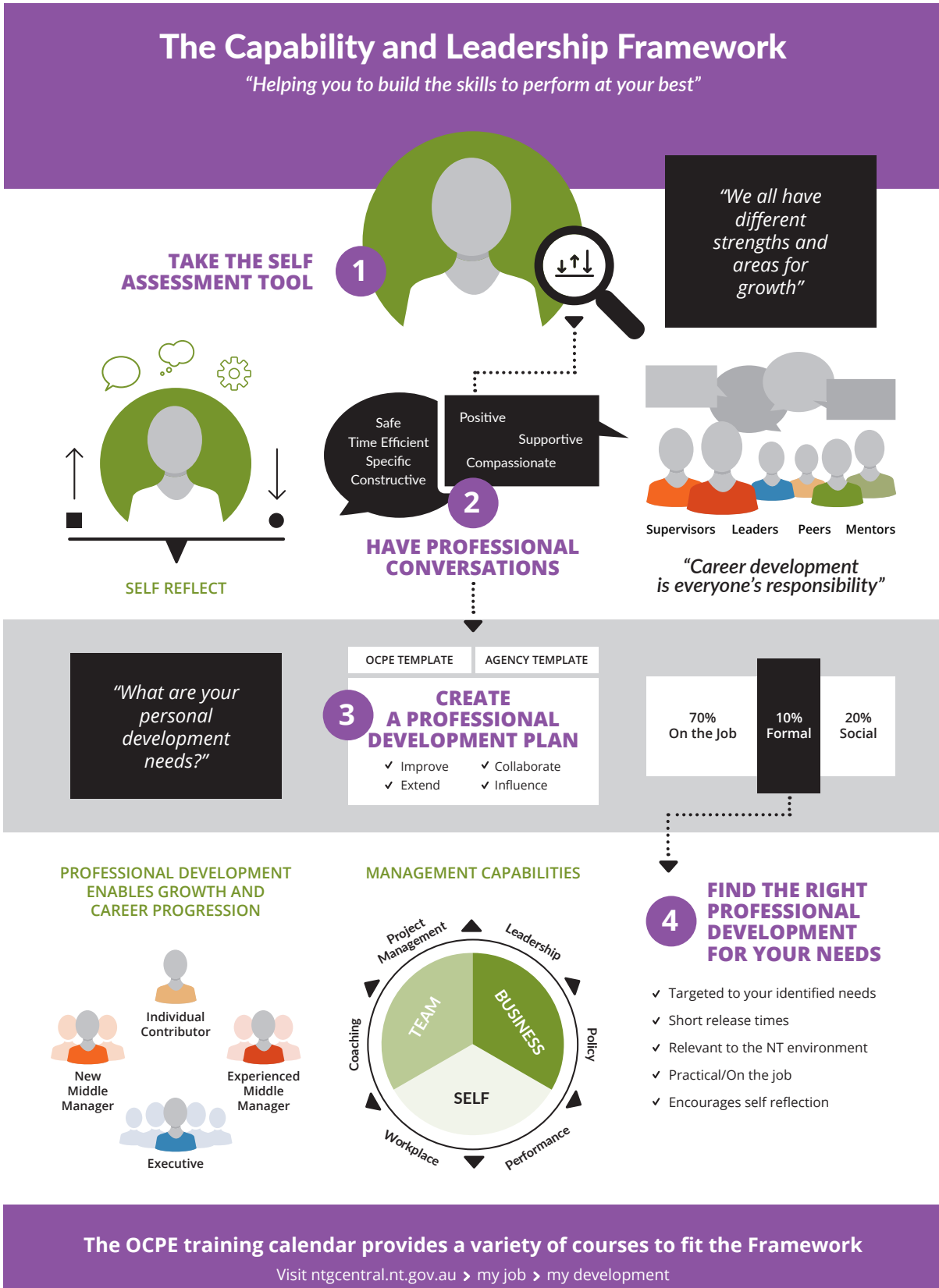
- » program 1: Middle Management Essentials:
- » program 2: Planning, Strategy and Policy Essentials.

Key development focus areas in 2018-19 included providing agencies with the framework, tools and advice to proactively develop the management and leadership skills of the NTPS middle managers.

Combined with the Capability and Leadership Framework, the Middle Manager Development Framework is designed to ensure managers are provided with tools to identify and develop fundamental people, management and core skills early on in their career, and prior to progressing to senior levels. Modularised Middle Manager Essentials courses have been developed under the Managing Self, Managing Teams and Managing the Business domains of the framework. These courses, through self-reflection and professional conversations, provide employees the ability to tailor training to meet their specific development requirements, rather than being limited to singular ‘catch all’ leadership development programs.



Figure 4 – Using the Middle Manager Development Framework



## Women in leadership

In 2018-19, women comprised 64% of the total NTPS workforce. A wide range of employment and career options in the NTPS are available to suit women of all ages and from all backgrounds. The NTPS is continuing to support initiatives to increase women's

participation in the workforce and the number of women in leadership positions across the NTPS.

The NTPS is outperforming all other jurisdictions in terms of representation of women in all senior classifications, with 51% globally in these roles – as detailed in Figure 5.

Figure 5 – Representation of men and women in senior positions in the NTPS

Classification	Female	Male	Total	Female (%)
Senior Admin 2	162	120	282	57
Exec Officer 1C	124	125	249	50
Exec Officer 2C	72	87	159	45
Exec Officer 3C	15	25	40	38
Exec Officer 4C	11	13	24	46
Exec Officer 5C	6	6	12	50
Exec Officer 6C	4	7	11	36
Total	394	383	777	51

Source: DCIS August 2019

## Aboriginal leadership development programs

Developing and implementing leadership development, career pathways and NTPS professional development programs that are tailored to Aboriginal employees' learning needs continues to be a priority.

The highlights for 2018-19 include:

- » delivered the Practical Public Policy Design to 20 Aboriginal employees from the Department of Health
- » funded 24 Aboriginal employees to participate in professional development in topics selected from the suite of Middle Manager Essentials program of courses based on identified individual development needs
- » seven Aboriginal NTPS employees graduated from the Public Sector Management Program with a Graduate Certificate in Business (Public Sector Management) from Queensland University of Technology (QUT).

## Public Sector Management Program

Graduates of the nationally accredited Public Sector Management Program (PSMP) receive a Graduate Certificate in Business (Public Sector Management) from QUT. The PSMP targets participants within the classification range from AO6 to SAO1 or equivalent and welcomes participants from all tiers of government: local, state, and federal.

The highlights for 2018-19 include:

- » two PSMP cohorts commenced in 2018-19
- » 22 NTPS employees graduated from two programs that had commenced in 2017, one delivered in Darwin and one in Alice Springs. A combined graduation ceremony at Parliament House was held in November 2018.

## Programs in partnership with the Australia and New Zealand School of Government (ANZSOG)

The Australian and New Zealand School of Government (ANZSOG) is the peak institution providing public sector executive education. ANZSOG's distinctive feature is the collaboration between its academic and government partners, which produces programs that have a blend of theory and practice of rigor and relevance, and which has yielded real benefits for program participants and organisations alike.

The highlights for 2018-19 include:

- » one senior executive was selected to undertake the Executive Master of Public Administration
- » two senior executives were selected to participate in the Executive Fellowship Program
- » one CEO participated in the ANZSOG CEO forum.

## Reward and recognition

### 2018 Chief Minister's Awards for Excellence in the Public Sector

Each year, OCOPE coordinates the nomination and judging process for the Chief Minister's Awards for Excellence in the Public Sector. In 2018, 71 nominations were received across seven categories.

### Chief Minister's public sector medals

The Chief Minister's public sector medals recognise and reward the outstanding and commendable public service of individuals. All public sector employees are eligible for a medal including office administrators and frontline officers dealing directly with the public.

Up to 10 medals are awarded each year with a special medal awarded to an individual who demonstrated outstanding Aboriginal leadership. Nine employees received a prestigious Chief Minister's Public Sector Medal at the 2018 ceremony:

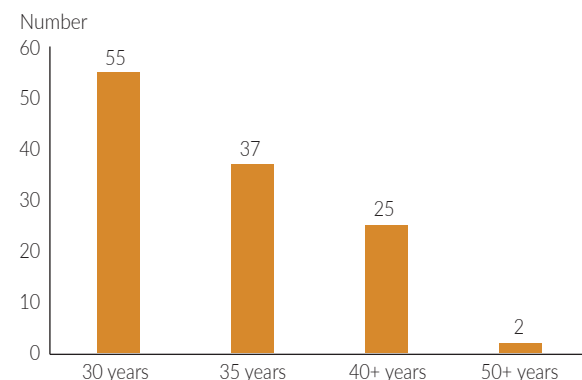
- » Charlie Gunaburra – Department of Health
- » Helen Weribone – Department of Infrastructure Planning and Logistics
- » Marion Guppy – Department of Education
- » Renez Lammon – Department of Education
- » Anna King – Department of Education
- » Stuart Smith – Department of Primary Industry and Resources
- » Peter Lilliebridge – Territory Families
- » Lisa Palamountain – Territory Families
- » Sophia Garrkali – Territory Families

### Recognition of service milestones

Official recognition of service in the NTPS occurs for 10, 20, 30, 35, 40+ and 50+ year milestones. Hosted by the Chief Minister and the Minister for Public Employment, eligible employees are invited to attend a function to celebrate their long service. Employees who have achieved 50+ years of service are invited to be recognised at the Chief Minister's Awards for Excellence in the Public Sector event.

In 2018-19, two events were held, one in Darwin and one in Alice Springs. A total of 119 employees were recognised for their long service, as shown in Figure 6.

**Figure 6 – Recognition of milestone recipients 2018-19**



## Financial wellbeing information sessions

OCPE continued to facilitate the delivery of financial awareness training through the NTPS's default superannuation provider. These sessions were for NTPS employees of all ages and stages of life, providing guidance and information about financial planning and superannuation and gave participants the opportunity to ask questions of financial and superannuation industry expert.

## Priorities for 2019-20

The priorities for 2019-20 include:

- » delivery of recommendations from *A Plan for Budget Repair* report, including implementation of a Strategic Workforce Board to drive organisational effectiveness and performance across the NTPS
- » undertake a mid-point review of the implementation of the EmployAbility Strategy 2018-2022
- » redesign the Kigaruk and Lookrukin Aboriginal Leadership Development program, with delivery of a new program in 2020
- » commence development of a senior and executive leadership framework and development options
- » review the NTPS Capability Leadership Framework.

## Aboriginal Employment and Career Development Division

Aboriginal Employment and Career Development (AECD) is responsible for driving the implementation of the AECD Strategy (AECDS) 2015-2020 across the NTPS, which aims to work towards a global target of 16% Aboriginal employment, and 10% Aboriginal employee participation in senior/executive roles in the NTPS by 2020.

The AECDS brings together a range of new and existing initiatives that will assist agencies to grow their Aboriginal workforce and meet the Northern Territory Government's commitment to increasing Aboriginal employment.

To achieve these targets we need strong leadership to maintain momentum and commitment to the AECDS and forge strong cross-agency partnerships to create organisational change.

### The themes

There are four key themes in the AECDS that focus on attracting and retaining Aboriginal people in the NTPS, with a strong focus on increasing employment, encouraging participation, and building capability to develop their careers in the NTPS.

The four themes are:

- » targets for Aboriginal employment and participation
- » engagement and support
- » attraction and retention of Aboriginal people
- » whole of career development to build capability and careers.

## Implementation

During 2018-19, AECD presented and participated in various conferences and forums at the local and national level, including:

- » National Indigenous Women's Wellbeing Conference
- » National Indigenous Women's Conference
- » Northern Territory Skills, Employment and Careers Expo
- » NTPS Aboriginal employee forums (Darwin and Alice Springs)
- » Second Annual Public Sector Workforce Planning and Capability Conference
- » ANZSOG Reimagining Public Administration: First Peoples, governance and new paradigms
- » National Aboriginal and Torres Strait Islander Employment Workshop.

These events provide a great opportunity to promote the AECDS, highlight current achievements and future priorities, build and strengthen relationships with stakeholders, as well as promote NTPS as a career of choice with information on career opportunities and pathways.

### NTPS Aboriginal Employee Forum

OCPE hosted the fifth NTPS Aboriginal Employee Forum in Darwin over two days on 21-22 November 2018. The forums are a key initiative within the AECDS, under theme three 'Attraction and retention of Aboriginal people'.

The forums are based on a workshop style to allow participants the opportunity to provide input, feedback, and to contribute to future employment and career development initiatives for the whole NTPS.

The Darwin forum facilitated a series of workshops on attraction and retention of Aboriginal employees as well as the NTPS Capability Leadership Framework.

Eighty-two Aboriginal employees attended the forum and represented various agencies, classifications and locations across the Northern Territory.

The sixth NTPS Aboriginal Employee Forum was held in Alice Springs on 5 and 6 June 2019.

Sixty Aboriginal employees attended, from a range of agencies across the Northern Territory. The forum facilitated a series of workshops on mental health, the NTPS Capability Leadership Framework and remote engagement.

## NTPS Cross-Cultural eLearn

The OCPE Cross-Cultural eLearn launched in May 2018, with 244 employees completing the course over the last financial year.

This is an additional resource to agencies' existing tailored cross-cultural training programs and is intended to be completed prior to undertaking the agency face-to-face training.

The eLearn consists of two modules. The first module is 'Working in the Public Sector' and the second module is 'Working with Cultural Differences'. OCPE currently provide free licenses to agencies to access the eLearn.

## NTPS Aboriginal Employee Mentor Program

The NTPS Aboriginal Employee Mentoring Program (AEMP) was developed in 2018-19 and has a strong focus on mentoring in a cross-cultural context, more specifically to Aboriginal culture in the Northern Territory. After its launch in July 2019, the AEMP will be utilised to train both mentors and mentees who participate in the program.

## Monitoring and reporting

### DCIS AECDS Report

The AECDS Report is produced on a quarterly basis by DCIS and is used as the main source of data to report on NTPS Aboriginal employment statistics. This is used in conjunction with other existing reporting frameworks such as agency annual reports and the NTPS State of the Service report.

### AECDS Annual Progress Report

The AECDS Annual Progress Report is published each year on the anniversary of the strategy's launch. The fourth annual progress report was published in May 2019 and is available from the OCPE website. The report outlines the work achieved by OCPE over the past 12 months and provides a summary of each key action under the four key themes.

## Priorities for 2019-20

The priorities for 2019-20 include:

- » implement the NTPS Aboriginal Employee Mentor Program
- » develop the next Aboriginal Employment Career Development Strategy 2021-2025
- » develop a Career Development Framework for Aboriginal employees, which focuses on retention, professional development and career progression
- » develop an all of government exit interview policy and related procedures
- » organise the annual NTPS Aboriginal employee forums in Darwin and Alice Springs
- » continue to provide guidance and support to agencies in the development and promotion of programs and initiatives to increase Aboriginal employment across the NTPS
- » continue to meet and support the AECDS champions, resource and senior Aboriginal reference groups.

## Public Sector Appeals and Grievance Reviews output

The Public Sector Appeals and Grievance Reviews output conducts promotion, disciplinary and inability pursuant to the *Public Sector Employment and Management Act 1993* and provides employees with independent review of agency actions and decisions through the grievance review process.

It also provides agencies with strategic advice, assistance, education and a review function in relation to special measures recruitment; and develops and implements uniform NTPS recruitment and selection policy and procedures, including the provision of strategic advice, training and education on merit-based selection.

### Public Sector Appeals and Grievance Reviews Division

Public Sector Appeals and Grievance Reviews has four main functions:

- » conduct promotion, disciplinary, and inability appeals pursuant to sections 59A to 59G of the *Public Sector Employment and Management Act 1993*
- » provide employees with an independent and impartial review of agency actions, inactions and decisions through the grievance review process set out in section 59 of the *Public Sector Employment and Management Act 1993*
- » provide advice, assistance and education to agencies in the implementation and operation of Special Measures recruitment plans to promote equality of employment opportunity
- » develop, administer, and provide education on NTPS Simplified Recruitment policy and procedures.

The Public Sector Appeals and Grievance Reviews division's objective is to enable merit, equity, and fairness to prevail in the NTPS through effective, impartial and independent delivery of its four functions.

### Public sector appeals in 2018-19

The Public Sector Appeals Board is an independent body created under sections 59A to 59E of the *Public Sector Employment and Management Act 1993*, and located, for administrative purposes, within the Public Sector Appeals and Grievance Reviews division of OCPE. The CPE appoints a chairperson for each appeal and has appointed the Director, Public Sector Appeals and Grievance Reviews division, as the standing Chairperson of the Board. The relevant agency and union select the other two members for each appeal board.

Section 59E of the *Public Sector Employment and Management Act 1993* provides broad and flexible options for the Board, stating that it may:

- » affirm the decision
- » vary the decision
- » set aside the decision
- » set aside the decision and return the matter to the relevant CEO for reconsideration
- » set aside the decision and replace it with the Board's decision.

On returning a matter to a CEO for reconsideration, the Board may give any directions it thinks fit as to how the matter is to be dealt with. The Board must provide written notice of its decision and the reasons for it.

## Promotion appeals

Promotion appeals are conducted in accordance with sections 59B to 59G of the *Public Sector Employment and Management Act 1993* and Public Sector Employment and Management Regulations 8-9 and 11-15.

Promotion appeals can only be made by existing employees, in situations where the selection would be a promotion for both the appellant and the provisional promotee.

No ground of appeal is specified in the *Public Sector Employment and Management Act 1993*, however the test applied by the Board in determining a promotion appeal is whether the selection decision is consistent with the merit principle as defined in section 5D of the *Public Sector Employment and Management Act 1993*.

## Promotion appeals statistics

Figure 7 – Number and percentage of NTPS promotions appealed

Year	Promotion	Promotions appeals	%
2013-14	1147	53	4.6
2014-15	1349	55	4.1
2015-16	1412	40	2.8
2016-17	1264	31	2.5
2017-18	1134	33	2.9
2018-19	1499	44	2.9

## Promotion appeals timelines and outcomes

The Public Sector Appeals Board target for completion of promotion appeals is 6 weeks from receipt of the appeal to determination by the Board.

In 2018-19, the average completion time for a promotion appeal was 4.5 weeks. This compares with an average completion time in the previous year of 5.7 weeks.



Figure 8 – Summary of promotion appeal outcomes

	2014-15	2015-16	2016-17	2017-18	2018-19
Appeals carried over	11	2	2	0	1
Appeals received	44	40	31	33	43
Total handled	55	42	33	33	44
Finalised	53	40	33	32	40
Varied by promoting Appellant (Allowed)	0	0	0	1	0
Decision Affirmed (Promotion upheld)	19	26	24	19	24
Set aside and returned to be redone	2	1	1	4	1
Withdrawn	26	12	5	5	5
Vacated (promotion cancelled)	6	1	3	3	10
On hand at end of period	2	2	0	1	4

## Disciplinary and inability appeals

Disciplinary and inability appeals conducted by the Board are in accordance with section 59A and section 59C to section 59G of the *Public Sector Employment and Management Act 1993* and Regulations 8-10 and 12-15.

### Disciplinary appeals

In 2018-19 five new disciplinary appeals were received, with two carried over from the previous year. Of those seven disciplinary appeals, two were withdrawn by the appellants, one remains open to be determined in 2019-20, and four were finalised.

In two of the four disciplinary appeals finalised by the Board this year, the Board affirmed the disciplinary decision made by the relevant CEO.

Another of the finalised disciplinary appeals was resolved through a conciliated outcome that resulted in the agency revoking the appellant's termination and reinstating him on a three month performance plan. The agency later advised that after six months, the appellant was working very well in his new placement and on this basis, the agency successfully sought that

the CPE approve the appellant's appointment to a higher designation than his former one.

In the remaining finalised disciplinary appeal, the Board set aside the decision of the CEO that the appellant be terminated and ordered that he be reinstated with full back pay.

### Inability appeals

One new inability appeal was received during 2018-19 and two were carried over from 2017-18. The new inability appeal was withdrawn by the appellant, and in two remaining inability appeal decisions the Board affirmed the inability decision that had been made by the relevant CEO.

### Disciplinary and inability appeals timelines

The Board's target for completion of disciplinary and inability appeals is three months from receipt of the appeal to determination by the Board. Often this completion target is not met, mainly because the Board's practice is to generally grant requests from the parties for adjournments or further time to make submissions.

In 2018-19 the average time taken to finalise disciplinary and inability appeals has been 6.5 months, which is unchanged from last financial year.

## Disciplinary and inability data

Figure 9 – Summary of disciplinary and inability appeal outcomes

	2014-15		2015-16		2016-17		2017-18		2018-19	
	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability
Affirm the decision of the CEO		1	2	1		1		1	2	2
Vary the decision							1			
Set aside the decision of the CEO and replace with the PSAB decision	1				1				1	
Settled								1	1	
Withdrawn			1		2		2		2	1
Set aside the decision of the CEO					1					
Set aside the decision and return the matter to the CEO for reconsideration										

## Section 59 Grievance Reviews 2018-19

Under section 59 of the *Public Sector Employment and Management Act 1993*, employees aggrieved by their treatment in employment may request the CPE to review an action, intended action, or decision of an agency. The CPE has the power to confirm the action, intended action or decision, or to direct the agency to take or refrain from taking a specified action.

## Section 59 Grievance Reviews statistics

### Grievances received

In 2018-19, there were 77 new grievance received compared with 99 in 2017-18.

The Public Sector Appeals and Grievance Reviews division uses a flexible, outcome-focused approach to handling grievances, concentrating, when possible, on achieving resolution through discussion and negotiation. This approach results in many grievances being resolved at early stages, without the CPE having to make a specific direction. In 2018-19, there were three instances where the CPE directed an agency to change the agency decision or to take another action. However, in a number of other grievances, although the CPE did confirm the agency action, he also included comments or advice for improvement in the agency's handling of the matter.

**Figure 10 – Outcomes of section 59 grievance reviews**

Outcomes	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Agency directed to take/refrain from taking action	2	3	3	0	1	3
Agency action confirmed	37	41	6	34	27	23
Agency action confirmed with comment from the CPE	17	6	5	1	15	6
Resolved through PSA&GR involvement	27	69	50	24	24	26
Being handled by the agency	11	11	9	10	8	10
Declined to review (e.g., no jurisdiction, non-employee)	1	4	2	8	9	4
Withdrawn	11	17	6	3	15	6
On hand at the end of the period	15	4	5	13	15	14
<b>Total handled</b>	<b>121</b>	<b>155</b>	<b>86</b>	<b>93</b>	<b>114</b>	<b>78</b>

### Timeliness in handling grievances

Section 59 of the *Public Sector Employment and Management Act 1993* stipulates that the CPE shall conduct a review within three months of receiving a grievance or such longer period as in the CPE's opinion the circumstances require.

During 2018-19 the time taken to resolve a section 59 grievance was, on average, 1.4 months, well within the statutory timeframe. This was a significant improvement over the 2017-18 timeframe, which was an average of 2.1 months.

Timeliness for grievances is measured by counting the number of individual grievances that took more than three months. This measure showed that, of the 94 total grievances handled in 2018-19, seven took longer than three months to finalise. This equated to 90% of grievances completed within the statutory timeframe, which is exactly the Public Sector Appeals and Grievance Reviews division's target for this measure.

### Most common issues raised in grievances

The most common issues raised in grievances in 2018-19 were, in order of prevalence:

- » selection decision
- » management action or decision
- » unfair treatment application of procedures and policies
- » application of conditions of service
- » review of a disciplinary decision
- » agency handling of bullying
- » termination on probation section 59(1)
- » bullying.

**Figure 11 – Comparison by year of the reasons for section 59 grievance reviews**

Reasons	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Management action or decision	50	55	27	33	26	17
Selection decision	56	73	36	18	39	21
Application of procedures and policies	0	2	5	3	3	11
Application of conditions of service	1	2	1	13	7	7
Agency handling of bullying	5	3	3	2	3	2
Termination of probationary employment	3	3	1	3	1	2
Termination of Executive Contract	0	0	0	1	3	0
Bullying	2	6	2	0	1	1
Review of a disciplinary/inability decision	2	3	2	7	5	2
Unfair treatment	2	8	9	9	11	14
<b>Total handled</b>	<b>121</b>	<b>155</b>	<b>86</b>	<b>89</b>	<b>99</b>	<b>77</b>

## Special Measures recruitment plans

Special Measures are programs, plans, or arrangements designed to promote equality of employment opportunity. Special Measures are permitted under the *Public Sector Employment and Management Act 1993* with the approval of the CPE.

Special Measures recruitment plans give priority consideration and preference in selection to Aboriginal applicants who meet all essential selection criteria and are suitable at the level of a vacancy. Currently twelve NTPS agencies have a priority-preference recruitment plan for Aboriginal applicants for all advertised vacancies. These agencies are:

- » Department of the Chief Minister
- » Department of Corporate and Information Services
- » Department of Education
- » Department of Health

- » Department of Local Government, Housing and Community Development
- » Department of Tourism, Sport and Culture
- » Department of Trade, Business and Innovation
- » Office of the Commissioner for Public Employment
- » Police, Fire and Emergency Services (for non-uniform vacancies)
- » Power and Water Corporation
- » Territory Families
- » Department of Primary Industry and Resources

Two other agencies (Department of Attorney-General and Justice and Department of Infrastructure, Planning and Logistics) have implemented Special Measures plans applying only to some vacancies, as decided by the agency. However, data suggests that this is not as effective an approach, and tends to result in few vacancies advertised under Special Measures, and a poor understanding within the agency about Special Measures.

## Commissioner's Review of NTPS Special Measures Aboriginal recruitment plans

In 2018-19, the CPE conducted a comprehensive review of NTPS Special Measures Aboriginal recruitment plans and the review report is available at <https://ocpe.nt.gov.au/nt-public-sector-employment/Information-about-ntps-employment/special-measures>.

The outcome of the review supported the continuation of Special Measures on the basis that the information and data collected verifies that Special Measures has produced excellent results against the stated aims of increasing Aboriginal recruitment and promotional opportunities. However, the review also noted a disparity between recruitment and retention of Aboriginal employees, and concluded that more needs to be done in the area of education and training about Special Measures, and in areas such as cross-cultural training, to ensure the NTPS is a welcoming and inclusive workplace with better retention of suitable Aboriginal employees. The CPE's recommendation for improved training has been implemented with the development in 2018-19 of a new eLearning course on Special Measures, by the Public Sector Appeals and Grievance Reviews division.

## Reviews of unsuitable findings of Aboriginal Special Measures applicants

Employment Instruction 15 on Special Measures requires that selection panel findings of unsuitability of Aboriginal Special Measures applicants must be reviewed and approved by OCPE prior to the panel progressing to assessment of other applications. The panel must forward the unsuitable findings to the Public Sector Appeals and Grievance Reviews division to complete the review within five working days of receiving the panel's report and required information.

## Outcomes and timeliness of reviews of unsuitable findings

During 2018-19, the Public Sector Appeals and Grievance Reviews division reviewed 1924 selection panel decisions finding an Aboriginal Special Measures applicant unsuitable. Of these, 1801 were approved at the outset and 123 (approximately 6.4%) returned for further assessment and consideration by the panel. Of those returned, five resulted in suitable Aboriginal applicants being employed.

The average completion time for the 1924 reviews conducted in 2018-19 was 1.5 days, with 29 (approximately 1.5%) taking longer than the five working days period within which the Public Sector Appeals and Grievance Reviews division committed to perform the reviews.

## Exemptions from Special Measures

All NTPS Special Measures plans make provisions for exemptions from applying Special Measures with the approval of the Commissioner. Exemptions are granted in situations where the application of Special Measures would be unfair or unreasonable in the specific circumstances, for example where there is a long-term incumbent of outstanding merit, or where a group of jobs have been re-designated to a higher level affecting existing employees who occupied the positions. Requests for exemptions must come from agency human resources and provide full details of the reasons why the exemption would be reasonable. Generally, exemptions should be sought after advertising, which maintains consistency across the NTPS and ensures that exemptions are only sought in situations where it is clearly warranted. However, the Commissioner will also consider applications for exemption before advertising.

In 2018-19, the Commissioner granted 24 exemptions from Special Measures.

## Simplified recruitment and selection panel training

### Simplified recruitment

Simplified Recruitment aims to streamline and improve the quality of NTPS selection processes. There have been excellent results, with recruitment times initially dropping by more than 50%, from 106 days to 50 days, a significant drop in appeals and grievances about selections, and positive feedback from applicants and selection panels alike.

Simplified Recruitment emphasises a high standard of candidate care, with the biggest differences between Simplified Recruitment and 'traditional' selection processes, being:

- » all selection panel members must have received approved training in Simplified Recruitment

- » applications for vacancies are limited to only a one-page summary application sheet with an attached detailed resume (i.e. no more addressing lists of selection criteria)
- » emphasis in selection is placed on proven workplace performance as verified by referees and work samples rather than undue reliance on performance in the selection process at interview
- » assessment process commences with referee checks conducted by the whole selection panel, starting with the most competitive applicants
- » interviews of applicants are the exception rather than the rule, and do not follow a practice of asking a set of identical questions, but rather an opportunity to discuss the role and explore matters specific to the applicant
- » selection processes are to be completed within six weeks unless there are unusual circumstances
- » at the completion of a selection, every applicant receives a Selection Outcome Advice for all Applicants (SOAFAA), which provides a detailed summary of the merit of the selected applicant including work history, education, qualifications, experience, and information as to who the referees were and information they provided. The intention in providing the SOAFAA is to provide transparency and better understanding as to the basis for selection decisions, in order that applicants can be assured that the selection was based on merit, and can do a 'self-comparison' with the selected applicant. The provision of the information in the SOAFAA has been the biggest contributor to a drop in complaints about selection decisions.

## Selection panel training

The Simplified Recruitment initiative included the development and implementation of the NTPS Recruitment and Selection Policy, and with that, compulsory training in Simplified Recruitment for all selection panel members.

The Simplified Recruitment Merit Selection training is offered on a cost-recovery basis at \$150 per session, and is conducted each month in Darwin, with extra sessions as needed in Alice Springs, Tennant Creek, Katherine, Nhulunbuy, and Groote Eylandt.

In total more than 7500 NTPS employees have received in-person training in merit selection, and satisfaction ratings relating to all aspects of the Merit Selection training course is consistently very high, at over 90%.

The Public Sector Appeals and Grievance Reviews division has also developed an online Simplified eLearning course, which is useful as a refresher or for employees in remote locations who are unable to attend in-person training.

## Priorities for 2019-20

The priorities for 2019-20 are:

- » consult with relevant stakeholders regarding amendments to the promotion appeal provisions of the *Public Sector Employment and Management Act 1993* to occur in conjunction with the review of the Act currently underway
- » develop and distribute a survey of both applicants and selection panels to obtain data about Simplified Recruitment
- » continue to provide high quality advice, education, and training in relation to Simplified Recruitment and Special Measures
- » continue to provide timely, high quality appeal and grievance handling services for the NTPS
- » continue to administer Special Measures in the NTPS, including providing advice, education, training and a review function.

## OCPE representation in Central Australia

### Overview

In Central Australia, the Director of Regions in the Department of Corporate Information Systems represents the CPE. The Director also represents OCPE's business divisions in the southern region.

Activities undertaken in Central Australia on behalf of the CPE in 2018-19 were:

- » assist in implementing government policies
  - provided advice and assistance to managers and employees as required
- » NTPS employment
  - participated in the Alice Springs careers expos
  - assisted with and participated in Hands Up for Inclusion Week activities in Alice Springs
- » strategic human resource advice
  - employee relations advice provided to both managers and employees, including those in remote localities
  - worked with agencies to resolve employee disagreements
- » regional redeployment and redundancy function
  - provided advice and assistance to managers and employees as required
- » whole of industry workforce policy coordination
  - chaired the Strategic Workforce Issues Action Group (regional HR Managers group), including enterprise bargaining briefings

- provided briefings on new initiatives and policies
- discussed various human resource, employee and industrial relation issues
- represented OCPE on various other committees and networks
- » promotion appeals and grievance reviews
  - provided advice and assistance to managers and employees as required.

### Priorities for 2019-20

The priorities for 2019-20 include:

- » continuing work to identify specific regional and remote workforce issues that need addressing
- » assisting with working towards standardising merit selection practices and the Simplified Recruitment process across the NTPS
- » assisting with providing high quality advice on Special Measures plans.



# 4

## Corporate and Governance Output Group

# Corporate and Governance Output Group

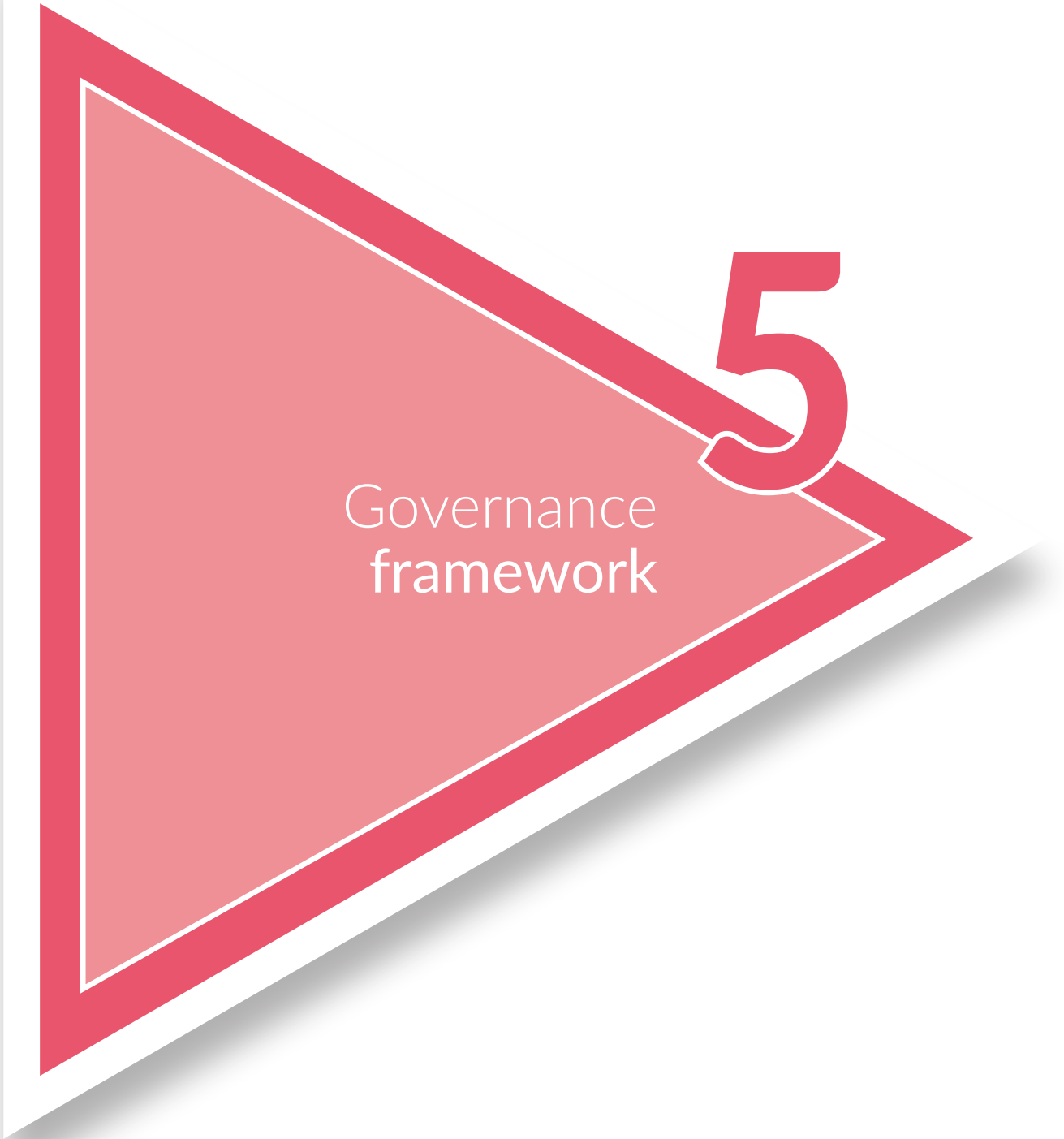
The Corporate and Governance output provides a range of corporate and governance services to support OCPE's functions.

## Shared Services Received output

The Shared Services Received output is shared corporate and governance services received from the Department of the Chief Minister, including financial services, human resource management, information and communication technology, governance and risk services, and communications and media, and services received free of charge from the Department of Corporate and Information Services.

## Corporate and Governance output

The Department of the Chief Minister provides shared corporate and governance services to the Office of the Commissioner for Public Employment on a fee-for-service basis. A range of services including risk management, finance, audit, ICT, communications and human resources were provided throughout the year.



# Governance framework

## Overview

OCPE's governance framework aims to ensure the efficient use of resources, compliance with statutory and other external requirements, and sound administrative and financial management practices.

The framework covers the set of responsibilities and practices, policies, and procedures exercised to provide strategic direction, ensure objectives are achieved, risk is managed, and resources are used responsibly and with accountability.

Primary responsibility for the governance of OCPE rests with the OCPE Management Board and three sub-committees provide advice to the CPE through the Management Board.

## Management Board

### Purpose

The Management Board has a critical role in ensuring effective performance and accountability by:

- » ensuring the OCPE has clearly established goals and objectives
- » ensuring strategies for achieving those goals and objectives are appropriate and understood by management and staff
- » monitoring quality control systems and, where necessary, implementing corrective action to improve systems and performance.

The Board supports the dissemination of minutes and notes throughout OCPE for the information of staff and Board decisions are conveyed at staff meetings, conducted at whole of office and business division levels.

### Organisational structure

Figure 12 illustrates the high-level management and operational structure as at 30 June 2019.

Figure 12 – Organisational structure as at 30 June 2019

Acting Commissioner for Public Employment - David Braines-Mead					
Employment Services Output Group					Corporate and Governance Output Group
Employee and Industrial Relations Output	Workforce Planning and Development Output		Public Sector Appeals and Grievance Reviews Output	OCPE Services in Central Australia	Corporate and Governance, and Shared Services Received Outputs
Director ER Cheryl Winstanley	Director SWPD Libby Doney	Director AECD Camille Lew Fatt	Director PSA&GR Terry Lisson	Commissioner's Representative for Central Australia Wayne Sanderson	Executive Director Corporate Services (DCM) Regina Bolton
<ul style="list-style-type: none"> <li>Negotiate NTPS enterprise agreements in line with the NTPS Wages Policy</li> <li>Develop and manage Executive employment parameters</li> <li>Support agencies implementing significant change management and in the resolution of disputes in a fair and equitable manner</li> <li>Promote and support job evaluation processes in the NTPS</li> <li>Provide strategic public and private industrial relations advice</li> <li>Promote and support management best practice of employment governance</li> <li>Improving human resource planning and management across the public sector through analysis and reporting of workforce data</li> <li>Develop and manage employment policies</li> <li>Administer the <i>Long Service Leave Act 1981</i> and the <i>Public Holidays Act 1981</i></li> <li>Manage the NTPS employment framework</li> <li>Coordinate the NTG input to ILO matters</li> <li>Represent the NTG on national industrial relations committees and provide advice about industrial relations legislative developments</li> <li>Central management of and policy development for NTPS redeployment and redundancy</li> <li>Administer Part III of the <i>Police Administration Act 1978</i></li> <li>Secretariat services to the Police Arbitral and Correctional Officers' Tribunals</li> <li>Workforce statistics and analysis</li> </ul>	<ul style="list-style-type: none"> <li>Whole sector strategic human capital/workforce planning, monitoring and reporting, and policy development to address key workforce issues</li> <li>Workforce development including early career programs, building capability through on the job learning, and talent management</li> <li>Delivery of capability development programs including leadership and other core corporate competencies</li> <li>Promotion of equity and diversity in the NTPS with a focus on increasing employment and career development opportunities for people from under represented EEO groups</li> <li>Reward and recognition initiatives</li> <li>Workplace health and wellbeing initiatives</li> <li>Strategic workforce advice to meet the needs of government and NTPS agencies</li> </ul>	<ul style="list-style-type: none"> <li>Drive the implementation of the AECDS</li> <li>Support agencies in working towards their Aboriginal employment targets</li> <li>Coordinate the NTPS Aboriginal Employee Forums</li> <li>Coordinate the NTPS Aboriginal Employee Mentor Program</li> <li>Chair and support the AECD Champions Group, Resource Group and Senior Aboriginal Reference Groups</li> </ul>	<ul style="list-style-type: none"> <li>Public Sector Appeals – promotion appeals, disciplinary appeals and inability appeals</li> <li>Section 59 grievance reviews</li> <li>Whole sector Simplified Recruitment and Special Measures training</li> <li>Special measures policy and procedures, reviews, and provision of ongoing advice</li> </ul>	<ul style="list-style-type: none"> <li>Strategic HR advice</li> <li>Regional redeployment and redundancy function</li> <li>Promotion appeals and grievance reviews</li> <li>Assist in implementing government policies</li> <li>Public sector employment</li> <li>Whole of industry workforce policy coordination</li> </ul>	<ul style="list-style-type: none"> <li>Audit and risk management</li> <li>Financial and budget management</li> <li>Human resource services</li> <li>Information technology</li> <li>Office services</li> <li>Records and information management</li> <li>Travel</li> <li>Communications and marketing</li> </ul>

## Membership

Management Board Members were:

### Craig Allen

Commissioner for Public Employment  
(1 July 2018 – 24 May 2019)

Craig joined the NTPS in 2014 after holding a range of senior management positions for more than 20 years, with a government career spanning more than 38 years.

Craig has a strong commitment to ensuring employment opportunities are available to all groups within the community with a focus on Aboriginal employment, and ensuring contemporary human resource principles are applied to the public sector in the areas of recruitment and strategic workforce planning.

Craig moved back to Queensland in May to be closer to his family. The Management Board would like to thank Craig for his significant contribution over his five years in the role.



### David Braines-Mead

Acting Commissioner for Public Employment  
(25 May 2019 – 30 June 2019)

Prior to taking on the Acting CPE role, David was employed by the Department of Treasury and Finance in numerous senior executive roles, most notably as Deputy Under Treasurer since 2013.

David joined the NTPS in 2004 after more than 15 years' experience in a number of roles in the accounting profession, in both Darwin and the United Kingdom. David is also a Fellow of the United Kingdom-based Association of Chartered Certified Accountants and holds a Bachelor of Accounting.

## Cheryl Winstanley

### Director Employee Relations

Cheryl joined OCPE in 2010 as Employee Relations Manager and was promoted to Director early 2014. Cheryl has over 20 years' experience in employee and industrial relations spanning a career across media industries, university, and other public sector jurisdictions and agencies, predominantly working with government owned corporations. Cheryl holds a Master of Laws and a Graduate Certificate in Law (Public Law).



## Camille Lew Fatt

### Director Aboriginal Employment and Career Development

(15 December 2018- 30 June 2019)

Camille joined OCPE in 2009 and was appointed as the Director of the Aboriginal Employment and Career Development Division in April 2017. Camille has worked across the university, private, and public sectors, and has a background in Aboriginal employment, project management, finance, and marketing. Camille holds a Bachelor of Commerce and a Graduate Certificate in Business (Public Sector Management).

## Ann Vincent

### Acting Director Aboriginal Employment and Career Development

(1 July 2018 - 14 December 2018)

Ann has worked for the NTPS for over 30 years. Ann's background is in Aboriginal employment and HR, including development, implementation, and evaluation of programs and projects. Ann commenced in OCPE in June 2016 as the Principal Advisor and filled the Director's role while Camille Lew Fatt was on leave. Ann holds an Associate Degree and a Bachelor of Applied Science in Indigenous Community Management and Development.



## Libby Doney

Director Strategic Workforce Planning and Development

Libby joined OCPE in 2014, returning to the public sector after a stint as a policy advisor and manager of an international engagement program for an Australian peak body. Libby holds a Bachelor of Business, a Graduate Certificate in Public Sector Leadership and a Master of Public Governance. Her career has encompassed senior roles in adult education, public policy development and implementation, strategic workforce development and program management.



## Terry Lisson

Director Public Sector Appeals and Grievance Reviews

Terry joined OCPE in January 2008 from the position of Director of Conciliation, Policy and Law at the Northern Territory Anti-Discrimination Commission, where she had worked for the previous six years. Terry holds a Bachelor of Arts (Honours Psychology) and a Bachelor of Laws and, in addition to many years working as a practising lawyer in both Canada and Australia, has extensive training and experience in complaint handling, conflict resolution, conciliation and mediation. Terry won the Northern Territory Public Sector Medal in 2016 for outstanding service and contribution to the public service in the areas of Simplified Recruitment and Special Measures.

## Rachael Dunn

Acting Director Public Sector Appeals and Grievance Reviews

(for periods between July 2018 to April 2019)

Rachael began her NTPS career in 2008 and commenced working with OCPE in 2012 in the position of Training & Grievance Manager. Rachael holds a Bachelor of Arts (Aboriginal Studies) and a Master of Dispute Resolution, and has many years' experience working in complaint handling, conflict resolution, conciliation and mediation.





## Wayne Sanderson

Commissioner's Representative for Central Australia

Wayne joined the NTPS in 2003 after 20 years with the South Australian Government. Wayne has worked in many agencies during this time, including six years as a Senior Investigator at the Nurses Board of South Australia.

Wayne's current role is Director Regions with the Department of Corporate and Information Services, based in Alice Springs. Wayne has vast experience in senior management positions across the public sector. Wayne has completed a Bachelor of Justice and Society (Flinders University), a Master's Degree in Indigenous Knowledges (Charles Darwin University) and a Professional Certificate in Management (Adelaide University).



## Regina Bolton

Executive Director Corporate Services, DCM

Regina joined the Department of the Chief Minister in January 2018, following four years of consulting on business strategy and major transformation projects with the Commonwealth Government. Regina has held a range of senior management positions within the Australian Public Service and the private sector. Regina's qualifications include a Bachelor of Communications, specialising in Marketing and Public Relations and she is a PRINCE2 and Managing Successful Programmes (MSP) Practitioner.

## Sub-committees

The Management Board is supported by the following sub-committees:

### Audit and Risk Management Committee

OCPE has had in place a joint Audit and Risk Management Committee (ARMC) with DCM since 2013.

The ARMC provides independent and objective advice and assistance to the CPE on the effectiveness of OCPE's risk, control and compliance frameworks, and the financial reporting responsibilities.

### External and internal audit

The following audits and reviews were conducted in 2018-19:

Figure 13 – External and internal audits

Audit or review	Objective	Outcome
Official travel	To review OCPE's compliance against the NTG Travel Policy and framework for the period 1 July 2017 to 30 June 2018.	The audit identified one non-compliance in relation to acquitting travel outside the required 10-day period.
To review OCPE's compliance against the NTG Travel Policy (and Framework) for the period 1 July 2017 to 30 June 2018.	To test OCPE's compliance with the obligations set out under the Value for Territory Assurance Program.	No significant matters were identified during the audit.

OCPE is subject to the Northern Territory Auditor-General's audit program under the powers and responsibilities established by the *Audit Act 1995*. In 2018-19, the Auditor-General selected OCPE for the following reviews:

Audit	Objective	Outcome
End of Year Review for the year ending 30 June 2018	To assess the adequacy of selected aspects of end of financial year controls over reporting, accounting and material financial transactions and balances with the primary purpose of providing support to the audit of the Treasurer's Annual Financial Statement (TAFS).	No significant matters were identified during the review.
Agency Compliance Audit for the year ending 30 June 2019	To assess whether internal control systems include necessary features to ensure compliance with financial legislative obligations, in particular responsibilities under Treasurer's Directions and the Procurement Governance Policy and Rules, and provide assurance that they were being achieved by examining selected aspects of the OCPE's systems.	No significant matters were identified during the audit. The issue of the 2010 Budget Transfer Agreement between OCPE and DCM was re-raised, noting OCPE accepts the risk of the agreement not being reviewed on a regular basis.

## Information Communication and Technology Governance Committee

The Information Communication and Technology (ICT) Governance Committee provides strategic direction for the use of information and technology for the Department of the Chief Minister (DCM) and the Office of the Commissioner for Public Employment (OCPE).

The Committee fosters an ICT culture that is transparent, collaborative and results driven. As a sub-committee of the DCM Executive Leadership Team and OCPE Management Board, the Committee makes investment recommendations, and oversees the maintenance and implementation of the ICT Forward Work Plan on behalf of the DCM CEO and Commissioner for Public Employment.

The Committee also ensures the security and effective management of the departments' data, ensures ICT frameworks, strategies and policies are fit for purpose, and explores opportunities to improve productivity through innovative technology solutions and efficient work practices.

The ICT Governance Committee met four times during 2018-19.

## Workplace Health and Safety Committee

From July 2018 to February 2019, DCM and OCPE had a combined Work Health and Safety (WHS) Committee. Following the establishment of shared services arrangements for DCM, OCPE and the Department of Treasury and Finance (DTF), membership of the WHS Committee expanded in 2018-19 to include a DTF representative.

DCM, OCPE and DTF are committed to a workplace that fosters behaviour aimed at the prevention of injury, illness or death to our employees, contractors and visiting workers. The committee provides advice to the CPE, through the Management Board, on work health and safety issues to ensure the health and safety of employees and clients in the workplace.

Consulting on WHS issues occurs through the involvement of the managers, supervisors and staff to cover the scope and diversity of OCPE's activities. Managers and supervisors promote and coordinate consultation with workers who may be affected by health and safety issues for OCPE. Board meetings and regular team meetings include a standard agenda item for WHS.

The Committee met four times during 2018-19.

## Records and Information Management

### Information Management

The agency is required to comply with the *Information Act 2002*. In 2018-19, the Electronic Document Records Management Project progressed with all but one business unit has transitioned to using the Territory Records Management (TRM) system. In addition, Records Management Services completed the OCPE TRM dataset for the implementation of Phase 2 of the all of government TRM Dataset Standardisation Project and significantly improved security management for OCPE records.

### Access to information

The *Information Act 2002* allows for access to government and personal information when an application is made in compliance with the Act. In 2018-19 there were no applications for access to information received.

### Privacy

The *Information Act 2002* establishes 10 information privacy principles to govern the collection, use, storage, and management of personal information by agencies.

No privacy complaints were received by OCPE in 2018-19.

## Boards and committees on which the OCPE is represented

### National

- » National Public Sector Industrial Relations (Directors) group
- » Public Service Commissioners' Conference
- » Senior Officials Group
- » Interjurisdictional Workforce Data Analytics Committee

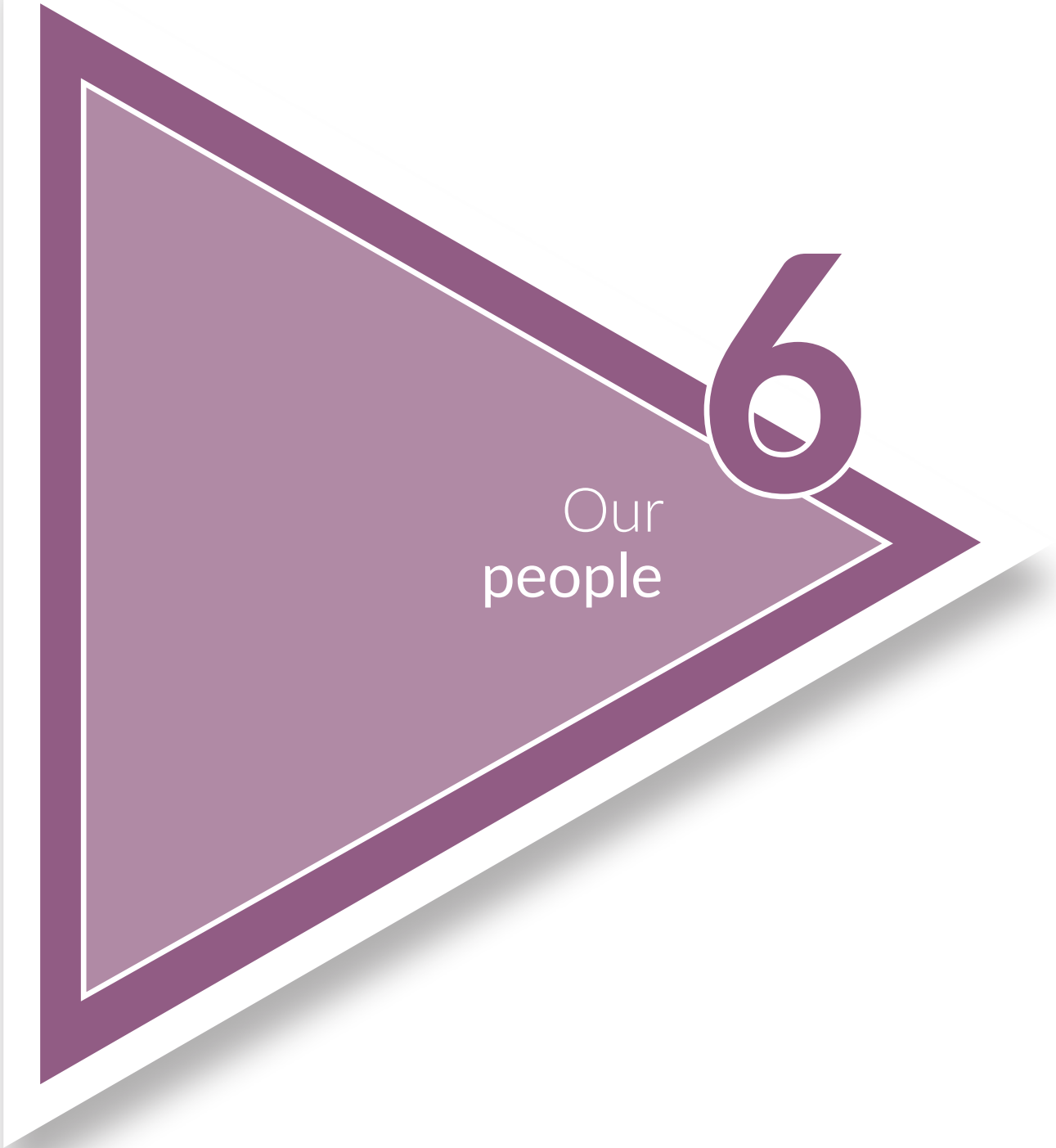
### Northern Territory

- » Audit and Risk Management Committee
- » Coordination Committee
- » Executive Remuneration Review Panel
- » Human Resource Management and Development Committee
- » Information Governance Committee
- » Interdepartmental Committee on Corporate Taxation and Superannuation
- » International Engagement Coordination Group
- » Northern Territory Emergency Management Council
- » Chief Finance Officer (CFO) Forum
- » Heads of Corporate
- » Information and Communications Technology (ICT) Governance Board
- » Public Sector Appeals Board
- » Public Sector Consultative Council
- » Statistical Liaison Committee

### Central Australia

- » Barkly Regional Coordination Committee
- » Regional Counter Disaster Committee
- » Southern Region Senior Coordination Committee
- » Strategic Workforce Issues Action Group (regional HR Managers group)





# Our people

## Overview

Employee commitment, engagement, and satisfaction are integral to achieving OCPE's operational outcomes. OCPE is committed to a strategic approach to build the capability of our people and focuses on:

- » building a flexible and highly professional workforce
- » workforce management and workforce planning strategies
- » best practice recruitment, promotion, and retention strategies
- » employee engagement
- » performance management and career planning
- » targeted learning and development opportunities.

## Our values

The NTPS Values give us a shared understanding of appropriate behaviours in the workplace and how we should interact with others in our everyday work. These values underpin how we work in delivering services to Territorians, promote collaboration and professionalism, and guide us in achieving our best performance and setting common expectations across the NTPS for all employees.

Our values are:

- » commitment to service
- » ethical practice
- » respect
- » accountability
- » impartiality
- » diversity.



## Public sector principles

Part 1A (sections 5A-5F) of the *Public Sector Employment and Management Act 1993* lists the general principles underlying this legislation. These 'public sector principles' need to be upheld by the CPE, agencies, CEOs and employees of the NTPS.

In 2018-19, OCPE complied with all of the prescribed principles.

**Figure 14 – Public sector principles**

Public sector principle	Action in 2018-19
Administration Management Principle (PSEMA Section 5B)	OCPE provided effective, efficient and appropriate services to the community and government, ensuring appropriate use of public resources while working cooperatively and responsively carrying out our functions objectively, impartially and with integrity.
Human Resource Management Principle (PSEMA Section 5C)	Workplace diversity and equity is upheld and provides everyone equal opportunity to make the most of their talents and abilities in the workplace. Our workplace environment ensures that our employees are treated fairly, reasonably and in a non-discriminatory way
Merit Principle (PSEMA Section 5D)	OCPE appointments are based on the principles of merit. Employees are capable and competent to perform their duties; having the knowledge, skills, experience, and qualifications required to be successful in their role and having consideration of their potential for future development.
Equality of Employment Opportunity Principle (PSEMA Section 5E)	Implementation of affirmative special measures policy and identifying designated positions has enabled OCPE to eliminate unlawful discrimination while promoting diversity among its workforce.
Performance and Conduct Principle (PSEMA Section 5F)	OCPE champions NTPS values, treating the workforce fairly, equitably, and with proper courtesy and consideration. OCPE officers avoid actual or apparent conflicts of interest and ensure personal conduct does not adversely affect their performance or that of other public sector officers while performing their duties objectively, impartially, professionally and to the best of their ability with integrity.

## Staffing profile

### Staff snapshot as at 30 June 2019

As at 30 June 2019, OCPE had 35 employees, compared with 36 employees as at 30 June 2018. Figure 15 provides a comprehensive comparison of classifications from June 2018 to June 2019 (as at the last pay period for each year).

## Equal employment opportunity

### Diverse workplace

OCPE strives to reflect a gender balanced and diverse workplace. Figure 16 shows the staff equity and diversity statistics at 30 June 2019.

Figure 15 – Staffing by classification

Paid classification	June 2018	June 2019
	Total headcount	Total headcount
EO6C	1	1
EO2C	3	3
EO2	1	0
EO1C	2	2
SAO2	5	4
SAO1	9	9
AO7	6	5
AO6	2	2
AO5	3	3
AO4	2	4
AO3	1	1
GRADT	0	1
SBA	1	0
<b>TOTAL</b>	<b>36</b>	<b>35</b>

Figure 16 – OCPE equity and diversity statistics

People who identify as:	2018		2019	
	Headcount	% of workforce	Headcount	% of workforce
Female	28	78	28	80
Male	8	22	7	20
ATSI	7	19	8	23
With disability	1	3	2	6

There are nine senior roles, of which five are occupied by females.

## Aboriginal employment and career development

OCPE drives the employment and career development frameworks for the NTPS, including Aboriginal employment. At the end of 2018-19, Aboriginal staff represented 23% of OCPE's workforce, an increase of 4% on the previous financial year. The OCPE target for Aboriginal representation is 15%. OCPE continues to maintain Aboriginal representations through initiatives such as:

- » introducing the special measure 'Priority Consideration and Preference in Selection' to all OCPE advertised positions
- » identifying barriers to career development and progression
- » providing leadership development opportunities to existing Aboriginal employees.

## Work life balance

OCPE recognises the importance of providing employees with the flexibility and the assistance they need to successfully balance their professional work life with their personal commitments.

Flexible working arrangements are in place for the following:

- » six employees worked part-time
- » two employees were on a flexible working arrangement, including home-based work
- » one employee used the option of taking recreation or long service leave at half pay
- » one employee used the purchased leave option.

## Performance management

The process of giving and receiving feedback and identifying learning and development needs is an essential element of achieving outstanding performance and ensuring OCPE's goals and objectives are effectively achieved.

Performance feedback is provided to all OCPE employees and of those employees who have performance plans, 24% have been lodged with DCM HR.

## Professional learning and development framework

In 2018-19, OCPE invested \$48,492 in conferences, structured learning opportunities, facilitators' fees, training and development (including study assistance), and leadership programs for its employees.

OCPE supports relevant professional development and training for employees that will benefit OCPE and the NTPS. The aim is to increase productivity, improve performance, and enhance job satisfaction and career opportunities.

Throughout 2018-19, employees participated in the following training and professional development activities:

- » Challenging Unconscious Bias
- » Communicate with Influence
- » ANZSOG Conference
- » AIM – Transform Leadership
- » intensive data management
- » Indigenous Conference Service
- » IPAA – National Conference
- » Australian Human Resources Institute State Conference
- » payroll tax
- » Public Sector Management Program.

## Health and wellbeing

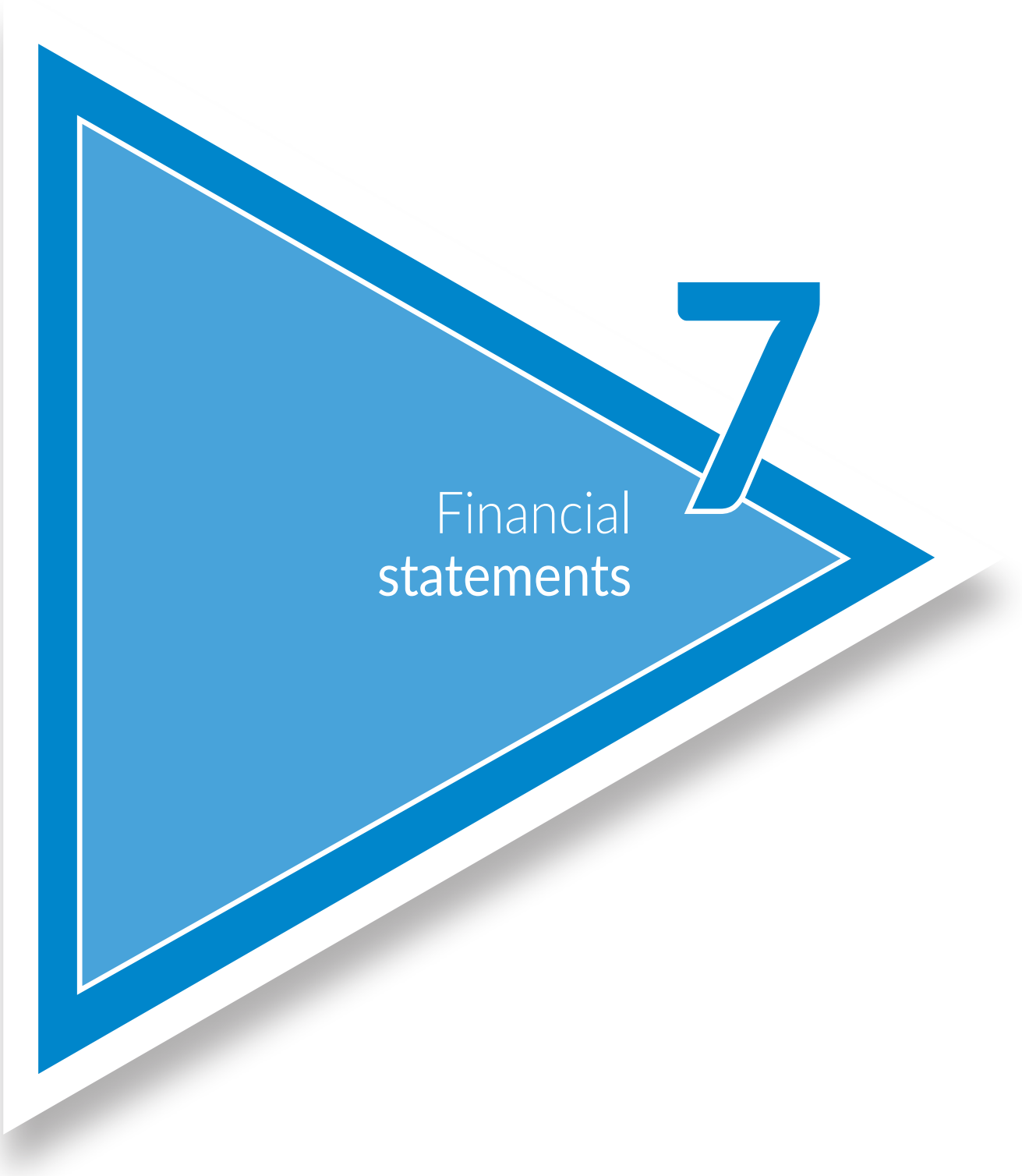
OCPE is committed to the health and wellbeing of all employees and offered activities and initiatives such as the employee assistance program, ergonomic assessments, and financial information seminars on topics such as superannuation and salary sacrificing. OCPE also promoted discounted health insurance and employees participated in the flu vaccination program. Figure 17 shows the health and wellbeing initiatives available in 2018-19.

Figure 17 – Health and wellbeing initiatives

Initiative	Number accessed
Employee Assistance Program	4
Ergonomic assessments	5
Flu vaccines	18

## Employment Instructions

Under the *Public Sector Employment and Management Act 1993*, Employment Instructions provide direction to agencies on human resource management matters. OCPE has complied with its obligations under each Employment Instruction throughout 2018-19.



## Overview

The 2018-19 financial statements for OCPE have been prepared on an accrual basis in accordance with the Northern Territory's financial management framework and Australian Accounting Standards. The agency's financial performance in 2018-19 and comparative financial information for 2017-18 are reported in four financial statements: the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement.

Details of the agency's performance by output group are provided at Note 3 of the financial statements.

### Budget

The agency's total budgeted income for 2018-19 was \$7.65 million, an increase from the original 2018-19 budget of \$7.61 million. The agency's total expense budget was \$7.77 million increasing from the original 2018-19 budget of \$7.61 million. The increase in budgeted income of \$0.04 million is predominantly due to output appropriation transferred in to OCPE for the Aboriginal Employment and Career Development Strategy offset by Department of Corporate and Information Services' goods and services received free of charge. The increase of \$0.16 million in expenditure budget is predominantly due to the Aboriginal Employment and Career Development Strategy.

Comparisons to the original published budget are included in Note 21. Where comparisons to budget have been made in this overview, it reflects the final approved budget.

## Comprehensive Operating Statement

Figure 18 – Financial performance

	2018-19 Final Budget \$M	2018-19 Actual (a) \$M	2017-18 Actual (b) \$M	Movement (a-b) \$M
Operating income	7.65	7.42	7.20	0.22
Operating expenses	7.77	7.81	7.40	0.41
Net surplus/ (deficit)	(0.12)	(0.39)	(0.20)	(0.19)

The Operating Statement provides information on the financial performance of the agency during the year. For the year ended 30 June 2019, the agency recorded a deficit of \$0.39 million, predominantly due to higher employee expenditure resulting from enterprise bargaining agreement negotiations and voluntary redundancy payments.

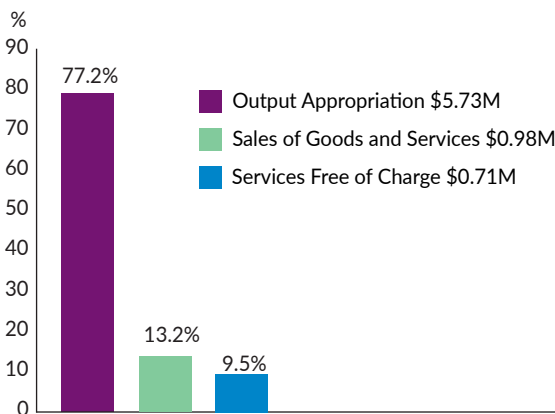
## Operating income

The agency's primary source of income is output appropriation (\$5.73 million in 2018-19), which makes up 77.2 per cent of total agency income. The agency also received income from sales of goods and services of \$0.98 million for the EmployAbility Strategy program levy and delivery and facilitation of NTG Workforce Leadership and Capability Development programs including the Future Leaders Program and Executive Leadership Programs. Other income recognised by the agency includes goods and services received free of charge from the Department of Corporate and Information Services.

Total income increased by \$0.22 million in 2018-19 to \$7.42 million compared to 2017-18. The increase relates to income from sale of goods and services which increased by \$0.28 million, predominantly due to training programs undertaken associated with whole-of-government training contract.

Output appropriation decreased by \$0.02 million in 2018-19 compared to 2017-18.

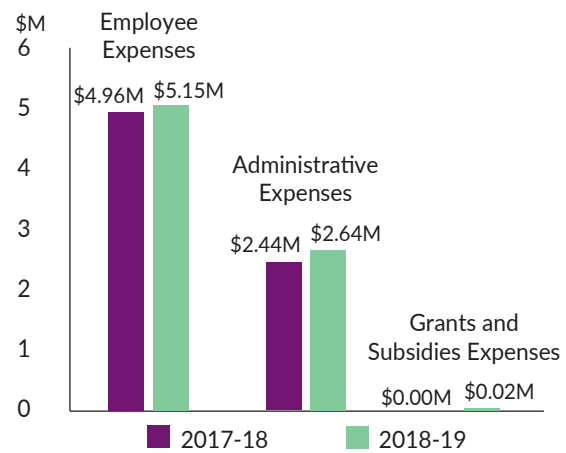
Figure 19 – 2018-19 Source of income



## Operating expenses

The agency's expenses are recognised in three primary categories; employee, administrative and grants. In 2018-19, 65.96 per cent of total expenditure was related to employees, 33.82 per cent to administrative expenditure and 0.22 per cent to grant expenditure.

Figure 20 – 2018-19 Expenditure comparison (\$M)



In 2018-19 the agency incurred personnel expenses of \$5.15 million, an increase of \$0.19 million from 2017-18 predominantly due to enterprise bargaining agreement negotiations.

Administrative expenses in 2018-19 increased by \$0.20 million to \$2.64 million is due to training programs undertaken associated with whole-of-government training contract.

## Balance Sheet

Figure 21 – Balance Sheet

	2018-19 \$M	2017-18 \$M	Movement \$M
Assets	3.51	4.10	(0.59)
Liabilities	0.62	0.82	(0.20)
Equity	2.89	3.28	(0.39)

During the 2018-19 financial year the agency's total assets decreased by \$0.59 million from \$4.10 million to \$3.51 million. The decrease mainly relates to a decrease in cash balances.

## Statement of Changes in Equity

Figure 22 – Statement of Changes in Equity

	2018-19 \$M	2017-18 \$M	Movement \$M
Balance 1 July	3.28	3.47	(0.19)
Accumulated funds	(0.39)	(0.19)	(0.20)
Capital	-	-	-
Balance 30 June	2.89	3.28	(0.39)

The Statement of Changes in Equity reports on movements in equity balances during the year.

Total equity in 2018-19 decreased by \$0.39 million predominantly due to the decrease in cash balances.

## Cash Flow Statement

Figure 23 – Cash Flow Statement

	2018-19 \$M	2017-18 \$M	Movement \$M
Balance 1 July	3.98	4.09	(0.11)
Receipts	6.81	6.53	0.28
Payments	(7.43)	(6.64)	0.79
Equity injection	-	-	-
Balance 30 June	3.36	3.98	(0.62)

The Cash Flow Statement reports on total cash payments and receipts made during the financial year.

Increase in receipts and payments in 2018-19 from 2017-18 is predominantly due to the increase in number of training programs undertaken in 2018-19.



# Certification of the Financial Statements

We certify that the attached financial statements for the Office of the Commissioner for Public Employment have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2019 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



Jodie Ryan  
A/Commissioner for Public Employment

30 August 2019



Robert Csar  
Chief Financial Officer

30 August 2019

# Comprehensive Operating Statement

For the year ended 30 June 2019

	Note	2019 \$000	2018 \$000
<b>INCOME</b>			
Grants and subsidies revenue			
Current		-	-
Appropriation			
Output		5 730	5 749
Commonwealth		-	-
Sales of goods and services		982	699
Goods and services received free of charge	4	706	751
Other income		5	4
<b>TOTAL INCOME</b>	3	<b>7 422</b>	<b>7 203</b>
<b>EXPENSES</b>			
Employee expenses		5 152	4 956
Administrative expenses			
Purchases of goods and services	5	1 932	1 685
Repairs and maintenance		1	-
Depreciation and amortisation	11	3	6
Other administrative expenses <sup>1</sup>	6	706	751
Grants and subsidies expenses			
Current		17	-
Capital		-	-
<b>TOTAL EXPENSES</b>	3	<b>7 810</b>	<b>7 398</b>
<b>NET (DEFICIT)/SURPLUS</b>		<b>(388)</b>	<b>(195)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net surplus/deficit</b>			
Changes in accounting policies		-	-
Correction of prior period errors		-	-
Changes in asset revaluation surplus		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(388)</b>	<b>(195)</b>

1 Includes DCIS service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

## Balance Sheet

As at 30 June 2019

	Note	2019 \$000	2018 \$000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and deposits	8	3 356	3 973
Receivables	10	37	29
Prepayments		112	89
<b>Total current assets</b>		<b>3 506</b>	<b>4 091</b>
<b>Non-current assets</b>			
Property, plant and equipment	11	3	5
<b>Total non-current assets</b>		<b>3</b>	<b>5</b>
<b>TOTAL ASSETS</b>		<b>3 508</b>	<b>4 096</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	12	73	216
Provisions	13	546	603
<b>Total current liabilities</b>		<b>620</b>	<b>819</b>
<b>Non-current liabilities</b>			
Provisions	13	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>620</b>	<b>819</b>
<b>NET ASSETS</b>		<b>2 889</b>	<b>3 277</b>
<b>EQUITY</b>			
Capital		58	58
Accumulated funds		2 831	3 219
<b>TOTAL EQUITY</b>		<b>2 889</b>	<b>3 277</b>

The balance sheet is to be read in conjunction with the notes to the financial statements.

## Statement of Changes in Equity

For the year ended 30 June 2019

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
<b>2018-19</b>					
<b>Accumulated funds</b>		<b>3 219</b>	<b>(388)</b>	<b>-</b>	<b>2 831</b>
Changes in accounting policy		-	-	-	-
Correction of prior period errors		-	-	-	-
		<b>3 219</b>	<b>(388)</b>	<b>-</b>	<b>2 831</b>
<b>Capital – transactions with owners</b>					
Equity injections					
Capital appropriation		861	-	-	861
Equity transfers in		1 067	-	-	1 067
Other equity injections		1 411	-	-	1 411
Equity withdrawals					
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		( 297)	-	-	( 297)
		<b>58</b>	<b>-</b>	<b>-</b>	<b>58</b>
<b>Total equity at end of financial year</b>		<b>3 277</b>	<b>(388)</b>	<b>-</b>	<b>2 889</b>
<b>2017-18</b>					
<b>Accumulated funds</b>		<b>3 414</b>	<b>(195)</b>	<b>-</b>	<b>3 219</b>
Changes in accounting policy		-	-	-	-
Correction of prior period errors		-	-	-	-
		<b>3 414</b>	<b>(195)</b>	<b>-</b>	<b>3 219</b>
<b>Capital – transactions with owners</b>					
Equity injections					
Capital appropriation		861	-	-	861
Equity transfers in		1 067	-	-	1 067
Other equity injections		1 411	-	-	1 411
Equity withdrawals					
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		( 297)	-	-	( 297)
		<b>58</b>	<b>-</b>	<b>-</b>	<b>58</b>
<b>Total equity at end of financial year</b>		<b>3 472</b>	<b>(195)</b>	<b>-</b>	<b>3 277</b>

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

# Cash Flow Statement

For the year ended 30 June 2019

	Note	2019 \$000	2018 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating receipts</b>			
Grants and subsidies received			
Current		-	-
Appropriation			
Output		5 730	5 749
Commonwealth		-	-
Receipts from sales of goods and services		1 082	784
<b>Total operating receipts</b>		<b>6 812</b>	<b>6 533</b>
<b>Operating payments</b>			
Payments to employees		(5 209)	(4 998)
Payments for goods and services		(2 203)	(1 646)
Grants and subsidies paid			
Current		(17)	-
Capital		-	-
<b>Total operating payments</b>		<b>(7 429)</b>	<b>(6 644)</b>
<b>Net cash from/(used in) operating activities</b>	9	<b>(617)</b>	<b>(111)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing receipts</b>			
Proceeds from asset sales		-	-
<b>Total investing receipts</b>		<b>-</b>	<b>-</b>
<b>Investing payments</b>			
Purchases of assets		-	-
<b>Total investing payments</b>		<b>-</b>	<b>-</b>
<b>Net cash from/(used in) investing activities</b>	9	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing receipts</b>			
Equity injections			
Other equity injections		-	-
<b>Total financing receipts</b>		<b>-</b>	<b>-</b>
<b>Financing payments</b>			
Equity withdrawals		-	-
<b>Total financing payments</b>		<b>-</b>	<b>-</b>
<b>Net cash from/(used in) financing activities</b>	9	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash held		(617)	(111)
Cash at beginning of financial year		3 973	4 085
<b>CASH AT END OF FINANCIAL YEAR</b>	8	<b>3 356</b>	<b>3 973</b>

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

## Notes to the financial statements

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## 1. Objectives and funding

The primary role of the Office of the Commissioner for Public Employment (OCPE) is to support the Commissioner of Public Employment's (CPE) statutory employer role as defined in *Public Sector Employment and Management Act 1993* (PSEMA). The CPE is also required to provide strategic and policy advice to support the Minister for Public Employment in achieving the Minister's duties under PSEMA. The OCPE has principal responsibility to government in the areas of public sector management and industrial relations. The OCPE identifies emerging issues and provides a strategic focus for developing a dynamic, highly skilled and motivated public sector.

Key functional responsibilities are:

- » providing sound and timely advice to government on all aspects of human resource and industrial relations issues affecting the Northern Territory Public Sector (NTPS)
- » supporting chief executive officers and agencies to develop and implement relevant human resource management policies and practices
- » representing the interests of the Northern Territory Government (NTG) in workplace negotiations and tribunal hearings as the statutory employer
- » coordinating sector-wide executive and leadership development programs
- » resolving employee grievances through appropriate review and appeal mechanisms and
- » developing and implementing contemporary workforce management practices that position the NTPS as an employer of choice, and ensuring it is well placed to contribute to the social and economic development of the Territory.

Additional information in relation to OCPE and its principal activities is provided in this annual report. OCPE is predominantly funded by, and is dependent on, the receipt of NTG output appropriations. However, it also generates revenue from the delivery of public sector management and development programs on a user pays basis to other NTPS agencies. The financial statements encompass all funds which OCPE controls to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by OCPE are summarised into several output groups. Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by output group.

## 2. Statement of significant accounting policies

### a) Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the agency to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements should include:

- i) a certification of the financial statements
- ii) a comprehensive operating statement
- iii) a balance sheet
- iv) a statement of changes in equity
- v) a cash flow statement
- vi) applicable explanatory notes to the financial statements.

## b) Basis of accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

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

The form of the agency financial statements is also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

### Standards and interpretations effective from 2018-19

#### AASB 9 Financial Instruments

The agency applied AASB 9 for the first time in 2018-19. AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. The agency has not restated the comparative information, which continues to be reported under AASB 139. Where applicable, differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

#### Classification and measurement

Financial instruments have been reclassified into one of three measurement bases – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of these instruments is based on the agency's business model for managing the financial assets and the contractual terms of the cash flows.

The classification and measurement requirements of AASB 9 did not have a significant impact on the agency. The following are the changes in the classification of the financial assets:

- » The agency's debt instruments are comprised of receivables. These assets were classified as Loans and Receivables as at 30 June 2018 under AASB 139 and were measured at amortised cost. As these assets are held to collect contractual cash flows that are solely payments of principal and interest, they continue to be measured at amortised cost from 1 July 2018.

The agency has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the agency's financial liabilities.



In summary, upon the adoption of AASB 9, the agency had the following reclassifications as at 1 July 2018:

	AASB 9 categories Balances at 1 July 2018				
	Balances at 30 June 2018	Fair value through profit or loss		Amortised cost	Fair value through OCI
		Mandatorily at fair value	Designated at fair value		
	\$000	\$000	\$000	\$000	\$000
<b>AASB 139 categories</b>					
Loans and receivables					
Receivables	18	-	-	18	-
<b>Total</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-</b>

## Impairment

The adoption of AASB 9 requires the loss allowance to be measured using a forward-looking expected credit loss (ECL) approach, replacing AASB 139's incurred loss approach. AASB 9 also requires a loss allowance to be recognised for all debt instruments other than those held at fair value through profit or loss.

There have been no changes to impairment losses following the adoption of AASB 9.

Several other amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

## Standards and interpretations issued but not yet effective

No Australian Accounting Standards have been early adopted for 2018-19.

On the date of authorisation of the financial statements, the following standards and interpretations were in issue but are not yet effective and are expected to have an impact on future reporting periods:

### AASB 16 Leases

AASB 16 Leases is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported for the first time in 2019-20 financial statements. When effective, the standard will supersede AASB 117 Leases and require the majority of leases to be recognised on the balance sheet.

For lessees with operating leases, a right-of-use asset will now be included in the balance sheet together with a lease liability for all leases with a term of 12 months or more, unless the underlying assets are of low value. The comprehensive operating statement will no longer report operating lease rental payments. Instead, amortisation expense will be recognised relating to the right-of-use asset and interest expense relating to the lease liability.

The right-of-use asset will be amortised generally on a straight-line basis while the lease liability will reduce to reflect lease payments made and increase to reflect the interest on the liability. Consistent with methodology applied to other long term liabilities, the lease liability is discounted using the Territory bond rates. As the lease term progresses, the carrying amount of the asset (cost less accumulated amortisation) is likely to reduce more quickly than the liability, resulting in a lower net asset in the earlier stages of the lease arrangement.

The agency has intergovernmental leases or subleases in the general government sector that will not be reported in future periods.

For lessors, the finance and operating lease distinction remains largely unchanged.

### **AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers**

AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers are effective for not-for-profit entities for annual reporting periods beginning on or after 1 January 2019 and will be reported for the first time in 2019-20 financial statements.

AASB 1058 clarifies and simplifies income-recognition requirements that apply to not-for-profit entities in conjunction with AASB 15.

Under AASB 15, revenue from agreements which are enforceable, have sufficiently specific performance obligations and transfer goods or services to the customer or third party beneficiary will be recognised when or as performance obligations are satisfied, and not immediately upon receipt as currently occurs. Consequently, more liabilities will be recognised in the balance sheet after adoption of this standard.

Where a transaction does not meet the criteria above or is classified as a donation transaction, revenue will be accounted for in accordance with AASB 1058.

Impacts identified include:

- » grants received to construct or acquire a non-financial asset will be recognised as a liability, and subsequently recognised as revenue as the performance obligations under the grant are satisfied. At present, such grants are recognised as revenue on receipt
- » grants with an enforceable agreement and sufficiently specific performance obligations will be recognised as revenue progressively as the associated performance obligations are satisfied. At present, such grants are recognised as revenue on receipt
- » grants that have an enforceable agreement but no specific performance obligations but have restrictions on the timing of expenditure will also continue to be recognised on receipt as time restriction on the use of funds is not sufficiently specific to create a performance obligation
- » grants that are not enforceable and or not sufficiently specific will not qualify for deferral, and will continue to be recognised as revenue on receipt

The standard is expected to have no material effect on agency's liability.

### c) Reporting entity

The financial statements cover the Department as an individual reporting entity.

The Office of the Commissioner for Public Employment (“the Department”) is a Northern Territory department established under the *Interpretation Act 1978 Administrative Arrangements Order*.

The principal place of business of the Department is:

Level 10 Charles Darwin Centre, 19 The Mall, Darwin NT 0800

### d) Agency and Territory items

The financial statements of agency include income, expenses, assets, liabilities and equity over which the agency has control (Agency items). Certain items, while managed by the agency, are controlled and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed here:

#### 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, such as income, expenses, assets and liabilities controlled by the Government and managed by agencies on behalf of the Government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority 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 such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency’s financial statements. However, as the agency is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 20 – Schedule of administered Territory items.

### e) Comparatives

Where necessary, comparative information for the 2017-18 financial year has been reclassified to provide consistency with current year disclosures.

### f) Presentation and rounding of amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

### g) Changes in accounting policies

There have been no changes to accounting policies adopted in 2018-19 as a result of management decisions.

## h) Accounting judgments and estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements.

## i) Goods and services tax

Income, 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 Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part 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 payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are 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 or payable unless otherwise specified.

## j) Contributions by and distributions to government

The agency may receive contributions from government where the government is acting as owner of the agency. Conversely, the agency may make distributions to government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

### 3. Comprehensive Operating Statement by output group

	Note	Employment services		Corporate and governance		Total	
		2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
<b>INCOME</b>							
Grants and subsidies revenue							
Current		-	-	-	-	-	-
Appropriation							
Output		4 749	4 767	981	982	5 730	5 749
Sales of goods and services		968	685	14	13	982	699
Goods and services received free of charge	4	-	-	706	751	706	751
Other income		-	1	4	4	5	4
<b>TOTAL INCOME</b>		<b>5 717</b>	<b>5 453</b>	<b>1 705</b>	<b>1 750</b>	<b>7 422</b>	<b>7 203</b>
<b>EXPENSES</b>							
Employee expenses		4 646	4 469	505	487	5 152	4 956
Administrative expenses							
Purchases of goods and services	5	1 372	1 111	560	574	1 932	1 685
Repairs and maintenance		-	-	1	-	1	-
Depreciation and amortisation	11	3	2	-	4	3	6
Other administrative expenses <sup>1</sup>	6	-	-	706	751	706	751
Grants and subsidies expenses							
Current		17	-	-	-	17	-
<b>TOTAL EXPENSES</b>		<b>6 038</b>	<b>5 582</b>	<b>1 772</b>	<b>1 816</b>	<b>7 810</b>	<b>7 398</b>
<b>NET (DEFICIT)/SURPLUS</b>		<b>(321)</b>	<b>(129)</b>	<b>(67)</b>	<b>(66)</b>	<b>(388)</b>	<b>(195)</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
<b>Items that will not be reclassified to net surplus/deficit</b>							
Changes in accounting policies		-	-	-	-	-	-
Correction of prior period errors		-	-	-	-	-	-
Changes in asset revaluation surplus		-	-	-	-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(321)</b>	<b>(129)</b>	<b>(67)</b>	<b>(66)</b>	<b>(388)</b>	<b>(195)</b>

<sup>1</sup> Includes DCIS service charges.

This comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.

## Income

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

## 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.

## Appropriation

Output appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from agency income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the intergovernmental agreement on federal financial relations, resulting in specific purpose payments (SPPs) and national partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the agency gains control of the funds.

## Sale of goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- » the significant risks and rewards of ownership of the goods have transferred to the buyer
- » the agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- » the amount of revenue can be reliably measured
- » it is probable that the economic benefits associated with the transaction will flow to the agency and
- » the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## Rendering of services

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- » the amount of revenue, stage of completion and transaction costs incurred can be reliably measured and
- » it is probable that the economic benefits associated with the transaction will flow to the entity.

## 4. Goods and services received free of charge

	2019 \$000	2018 \$000
Department of corporate and information services	706	751
	<b>706</b>	<b>751</b>

## 5. Purchases of goods and services

The net (deficit)/surplus has been arrived at after charging the following expenses:

### Goods and services expenses:

Consultants <sup>(1)</sup>	192	191
Marketing and promotion <sup>(2)</sup>	35	31
Document production	12	10
Legal expenses <sup>(3)</sup>	-	14
Recruitment <sup>(4)</sup>	5	1
Training and study	45	72
Official duty fares	53	50
Travelling allowance	19	11
Property Management	35	39
Agent Service Arrangements	1 095	876
Information Technology Charges	203	169
Membership & Subscriptions	50	47
Other	188	175
<b>Total</b>	<b>1 932</b>	<b>1 685<sup>(5)</sup></b>

<sup>(1)</sup> Includes marketing, promotion and IT consultants

<sup>(2)</sup> Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

<sup>(3)</sup> Includes legal fees, claim and settlement costs.

<sup>(4)</sup> Includes recruitment-related advertising costs.

<sup>(5)</sup> Restated to include all goods and services expenses.

### Repairs and maintenance expense

Funding is received for repairs and maintenance works associated with agency assets as part of output appropriation. Costs associated with repairs and maintenance works on agency assets are expensed as incurred.

### Interest expense

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

## 6. Other administrative expenses

Goods and services received free of charge (notional)

	2019	2018
	\$000	\$000
	706	751
	<b>706</b>	<b>751</b>

## 7. Write-offs, postponements, waivers, gifts and ex gratia payments

The agency had no write-offs, postponements, waivers, gifts or ex gratia payments in 2018-19 and 2017-18.

## 8. Cash and deposits

Cash at bank

	2019	2018
	\$000	\$000
	3 356	3 973
	<b>3 356</b>	<b>3 973</b>

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash.

## 9. Cash flow reconciliation

### a) Reconciliation of cash

The total of agency 'Cash and deposits' of \$3.356 million recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

### Reconciliation of net (deficit)/surplus to net cash from operating activities

	2019	2018
	\$000	\$000
<b>Net (deficit)/surplus</b>	<b>(388)</b>	<b>(195)</b>
Non-cash items:		
Depreciation and amortisation	3	6
Changes in assets and liabilities:		
Decrease/increase in receivables	(8)	11
Decrease/increase in prepayments	(24)	(47)
Decrease/increase in payables	(142)	156
Decrease/increase in provision for employee benefits	(51)	(40)
Decrease/increase in other provisions	(6)	(3)
<b>Net cash from operating activities</b>	<b>(617)</b>	<b>(111)</b>



## b) Reconciliation of liabilities arising from financing activities

The agency did not have any liabilities arising from financing activities during 2018-19 or 2017-18.

## c) Non-cash financing and investing activities

The agency did not have any non-cash financing and investing activities during 2018-19 or 2017-18.

## 10. Receivables

### Current

	2019 \$000	2018 \$000
Accounts receivable	23	18
Less: Loss allowance	-	-
	<u>23</u>	<u>18</u>
GST receivables	14	11
Other receivables	-	-
	<u>14</u>	<u>11</u>
Total receivables	<u>37</u>	<u>29</u>

Receivables include accounts and other receivables and are recognised at fair value less any loss allowance.

Accounts receivable and other receivables are generally settled within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

### Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. The entity applies the AASB 9 simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and forward-looking information.

In accordance with the provisions of the *Financial Management Act 1995* (FMA), receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 90 days past due.

Credit risk for the comparative year is assessed under AASB 139 and is based on objective evidence of impairment.

There is no loss allowance for internal or external receivables during 2018-19 or 2017-18

## Reconciliation of loss allowance for receivables

	2019				2018		
	Gross receivables	Loss rate	Expected credit losses	Net receivables	Aging of receivables	Impairment allowance	Net receivables
	\$000	%	\$000	\$000	\$000	\$000	\$000
<b>Internal receivables</b>							
Not overdue	15	-	-	15	15	-	15
Overdue for less than 30 days	-	-	-	-	2	-	2
Overdue for 30 to 60 days	-	-	-	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-
<b>Total internal receivables</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>17</b>	<b>-</b>	<b>17</b>
<b>External receivables</b>							
Not overdue	8	-	-	8	1	-	1
Overdue for less than 30 days	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-
<b>Total external receivables</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>1</b>	<b>-</b>	<b>1</b>

Total amounts disclosed exclude statutory amounts.

## Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

2019	2018
\$000	\$000

## 11. Property, plant and equipment

At fair value	32	32
Less: accumulated depreciation	(29)	(26)
	<b>3</b>	<b>5</b>

### 2019 Property, plant and equipment reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2018-19 is set out below:

	Plant and equipment \$000	Total \$000
Carrying amount as at 1 July 2018	5	5
Additions	-	-
Disposals	-	-
Depreciation	(3)	(3)
Additions/(Disposals) from asset transfers	-	-
<b>Carrying amount as at 30 June 2019</b>	<b>3</b>	<b>3</b>

### 2018 Property, plant and equipment reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2017-18 is set out below:

	Plant and equipment \$000	Total \$000
Carrying amount as at 1 July 2017	12	12
Additions	-	-
Disposals	-	-
Depreciation	(6)	(6)
Additions/(Disposals) from asset transfers	-	-
<b>Carrying amount as at 30 June 2018</b>	<b>5</b>	<b>5</b>

## Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment 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 expected useful lives.

## Construction (work in progress)

As part of the financial management framework, the Department of Infrastructure, Planning and Logistics is responsible for managing general government capital works projects on a whole of government basis. Therefore appropriation for capital works is provided directly to the Department of Infrastructure, Planning and Logistics 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.

## Revaluations and impairment

### Revaluation of assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- » land
- » buildings
- » infrastructure assets
- » heritage and cultural assets
- » biological assets
- » intangibles.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

## Impairment of assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the comprehensive operating statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the comprehensive operating statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2019. No impairment adjustments were required as a result of this review.

## Depreciation and amortisation expense

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 are in accordance with the Treasurer's Directions and are determined as follows:

	2019	2018
Plant and equipment	5 years	5 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

## Leased assets

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset, are classified as finance leases. Other leases are classified as operating leases.

## Finance leases

Finance leases are capitalised. A lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

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 leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives should be recognised as a deduction of the lease expenses over the term of the lease.

## 12. Payables

	2019 \$000	2018 \$000
Accounts payable	2	4
Accrued expenses	72	212
<b>Total payables</b>	<b>73</b>	<b>216</b>

Liabilities for accounts payable 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. Accounts payable are normally settled within 30 days.

## 13. Provisions

	2019 \$000	2018 \$000
<b>Current</b>		
Employee benefits		
Recreation leave and airfares	425	476
Leave loading	47	48
	<b>473</b>	<b>524</b>
Other current provisions		
Fringe benefit tax	10	11
Payroll tax	28	30
Superannuation	35	38
	<b>73</b>	<b>79</b>
<b>Total current</b>	<b>546</b>	<b>603</b>
<b>Non-current</b>		
Employee benefits		
Recreation leave and airfares	-	-
	<b>-</b>	<b>-</b>
<b>Total non-current</b>	<b>-</b>	<b>-</b>
<b>Total provisions</b>	<b>546</b>	<b>603</b>
<b>Reconciliations of provisions</b>		
<b>Fringe benefit tax</b>		
Balance as at 1 July	11	10
Additional provisions recognised	45	44
Reductions arising from payments	(45)	(43)
<b>Balance as at 30 June</b>	<b>10</b>	<b>11</b>
<b>Payroll tax</b>		
Balance as at 1 July	30	33
Additional provisions recognised	28	30
Reductions arising from payments	(30)	(33)
<b>Balance as at 30 June</b>	<b>28</b>	<b>30</b>
<b>Superannuation</b>		
Balance as at 1 July	38	39
Additional provisions recognised	35	38
Reductions arising from payments	(38)	(39)
<b>Balance as at 30 June</b>	<b>35</b>	<b>38</b>

The agency employed 32.07 employees as at 30 June 2019 (29.60 employees as at 30 June 2018).

## 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 recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave and other leave entitlements
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of government agencies and as such no long service leave liability is recognised in agency financial statements.

## Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued where the total value being guaranteed is greater than \$1 million.

The agency had no financial guarantee contracts as at 30 June 2019 or 30 June 2018.

## Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- 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 non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in agency financial statements.



## 14. Commitments

Disclosures in relation to capital and other commitments, including lease commitments. Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

### a) Capital expenditure commitments

Capital expenditure commitments primarily related to the construction of property, plant and equipment. Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows :

	2019		2018	
	Internal \$000	External \$000	Internal \$000	External \$000
Within one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-

### b) Operating lease commitments

The agency leases property under non-cancellable operating leases expiring from 1 to 15 years. Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated. The agency also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

	2019		2018	
	Internal \$000	External \$000	Internal \$000	External \$000
Within one year	496	-	488	-
Later than one year and not later than five years	1 893	-	1 855	-
Later than five years	2 715	-	3 173	-
	<b>5 104</b>	-	<b>5 516<sup>1</sup></b>	-

### c) Other expenditure commitments

Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:

	2019		2018	
	Internal \$000	External \$000	Internal \$000	External \$000
Within one year	-	235	-	160
Later than one year and not later than five years	-	58	-	204
Later than five years	-	-	-	-
	-	<b>293</b>	-	<b>364</b>

1 Restated to include office lease commitments.

## 15. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- » the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost
- » the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument
- » the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

## a) Fair value hierarchy

The agency does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximates their fair value.

The following table presents non-financial assets recognised at fair value in the balance sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total fair value	
	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000	2019 \$000	2018 \$000
Assets								
Plant and equipment (Note 11)	-	-	-	-	3	5	3	5
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>5</b>

There were no transfers between Level 1 and Levels 2 or 3 during 2018-19.

## b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2018-19 are:

Asset classes	Level 2 techniques	Level 3 techniques
Plant and equipment (Note 11)		Cost approach

There were no changes in valuation techniques from 2017-18 to 2018-19.

Level 2 fair values of land and buildings were based on market evidence of sales price per square metre of comparable land and buildings.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

## c) Additional information for level 3 fair value measurements

### i) Reconciliation of recurring level 3 fair value measurements

	Plant and Equipment \$000
<b>2018-19</b>	
Fair value as at 1 July 2018	5
Additions	-
Disposals	-
Transfers from level 2	-
Transfers to level 2	-
Depreciation	(3)
Additions/(disposals) from asset transfer	-
Gains/losses recognised in net surplus/deficit	-
Gains/losses recognised in other comprehensive income	-
<b>Fair value as at 30 June 2019</b>	<b>3</b>
<b>2017-18</b>	
Fair value as at 1 July 2017	12
Additions	-
Disposals	-
Transfers from level 2	-
Transfers to level 2	-
Depreciation	(6)
Additions/(disposals) from asset transfer	-
Gains/losses recognised in net surplus/deficit	-
Gains/losses recognised in other comprehensive income	-
<b>Fair value as at 30 June 2018</b>	<b>5</b>

### ii) Sensitivity analysis

Plant and equipment – unobservable inputs used in computing the fair value of plant and equipment include the historical cost and the consumed economic benefit. Given the number of agency plant and equipment included, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost results in a higher fair value and greater consumption of economic benefit lowers fair value.

## 16. Financial instruments

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

Financial assets and liabilities are recognised on the balance sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits, receivables and payables.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments: Presentation. These include statutory receivables arising from taxes including GST and penalties.

The agency has limited exposure to financial risks. Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The NT Government's investments, loans and placements, and borrowings are predominantly managed through the NTTC adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

## a) Categories of financial instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the following tables.

### 2018-19 Categories of financial instruments

	Fair value through profit or loss		Amortised cost \$000	Fair value through other comprehensive income \$000	Total \$000
	Mandatorily at fair value \$000	Designated at fair value \$000			
Cash and deposits	-	-	3 356	-	3 356
Receivables <sup>1</sup>	-	-	23	-	23
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>3 379</b>	<b>-</b>	<b>3 379</b>
Payables <sup>1</sup>	-	-	(73)	-	(73)
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>(73)</b>	<b>-</b>	<b>(73)</b>

<sup>1</sup> Total amounts disclosed here exclude statutory amounts

### 2017-18 Categories of financial instruments

	Fair value through profit or loss		Financial assets – loans and receivables \$000	Financial assets – available for sale \$000	Financial liabilities – amortised cost \$000	Other \$000	Total \$000
	Held for trading \$000	Designated at fair value \$000					
Cash and deposits						3 973	3 973
Receivables <sup>1</sup>			18				18
<b>Total financial assets</b>							<b>3 991</b>
Payables <sup>1</sup>					(216)		(216)
<b>Total financial liabilities</b>							<b>(216)</b>

<sup>1</sup> Total amounts disclosed exclude statutory amounts.

## Classification of financial instruments from 1 July 2018

From 1 July 2018, the agency classifies its financial assets in the following measurement categories:

- » those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- » those to be measured at amortised cost.

The classification depends on the agency's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

The agency reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the agency measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

## Debt instruments

Debt instruments include receivables and advances paid. Subsequent measurement of debt instruments depends on the agency's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the agency classifies its debt instruments:

- » **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses).
- » **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is calculated using the effective interest rate method.
- » **FVTPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities are classified into the following categories either at FVTPL or at amortised cost. The classification and measurement of financial liabilities under AASB 9 is substantially the same as in AASB 139, except where an entity designates financial liabilities at FVTPL. For such liabilities, the fair value changes of liabilities designated at FVTPL are presented as follows:

- » the fair value changes attributable to changes in the liability's credit risk are recognised in OCI; and
- » the remaining changes in the fair value are recognised in profit or loss.

### **Classification of financial instruments until 30 June 2018**

The agency has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with AASB 139.

Financial assets are classified into the following categories:

- » financial assets at fair value through profit or loss
- » held-to-maturity investments
- » loans and receivables and
- » available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- » financial liabilities at fair value through profit or loss (FVTPL) and
- » financial liabilities at amortised cost.

### **Financial assets or financial liabilities at fair value through profit or loss**

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL. Financial instruments classified as at FVTPL are initially and subsequently measured at fair value. Gains or losses on these assets are recognised in the net result for the year.

### **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the entity has the positive intent and ability to hold to maturity. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those held for trading and available for sale. Loans and receivables exclude statutory receivables. Loans and receivables are measured initially at fair value and subsequently at amortised cost using the effective interest rate method less impairment.

### **Available-for-sale financial assets**

Available-for-sale financial assets are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified as any of the three preceding categories. Available-for-sale financial assets are initially measured at fair value plus transaction costs and subsequently at fair value. Gains or losses are recognised as a separate component of equity until the



investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the comprehensive operating statement.

### Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured include all advances received, finance lease liabilities and borrowings. Amortised cost is calculated using the effective interest method.

### Derivatives

The agency enters into a variety of derivative financial instruments to manage its exposure to interest rate risk. The agency does not speculate on trading of derivatives.

Derivatives are initially recognised at fair value on the date a derivative contract is entered in to and are subsequently remeasured at their fair value at each reporting date. The resulting gain or loss is recognised in the comprehensive operating statement immediately unless the derivative is designated and qualifies as an effective hedging instrument, in which event, the timing of the recognition in the comprehensive operating statement depends on the nature of the hedge relationship. Application of hedge accounting will only be available where specific designation and effectiveness criteria are satisfied.

### Netting of swap transactions

The agency, from time to time, may facilitate certain structured finance arrangements, where a legally recognised right to set-off financial assets and liabilities exists, and the Territory intends to settle on a net basis. Where these arrangements occur, the revenues and expenses are offset and the net amount is recognised in the comprehensive operating statement.

## b) Credit risk

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the agency has adopted a policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Credit risk relating to receivables is disclosed in note 10.

## c) Liquidity risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring that minimum levels of cash are held in the Agency bank account to meet various current employee and supplier liabilities. The agency's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event that one-off extraordinary expenditure items arise that deplete cash to levels that compromise the agency's ability to meet its financial obligations.

The following tables detail the agency's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date.

	Carrying amount \$000	Less than a year \$000	1 to 5 years \$000	More than 5 years \$000	Total \$000
<b>2019 Maturity analysis for financial liabilities</b>					
<b>Liabilities</b>					
Payables	73	73	-	-	73
<b>Total financial liabilities</b>	<b>73</b>	<b>73</b>	<b>-</b>	<b>-</b>	<b>73</b>

### 2018 Maturity analysis for financial liabilities

<b>Liabilities</b>					
Payables	216	216	-	-	216
<b>Total financial liabilities</b>	<b>216</b>	<b>216</b>	<b>-</b>	<b>-</b>	<b>216</b>

## d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

### i) Interest rate risk

The agency is not exposed to interest rate risk as agency financial assets and financial liabilities are non-interest bearing or have a fixed interest rate.

### ii) Price risk

The agency is not exposed to price risk as it does not hold units in unit trusts.

### iii) Currency risk

The agency is not exposed to currency risk as it does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

## 17. Related parties

### a) Related parties

Office of the Commissioner for Public Employment is a government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

- » the portfolio minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the department directly; and
- » close family members of the portfolio minister or KMP including spouses, children and dependants; and
- » all public sector entities that are controlled and consolidated into the whole of government financial statements; and
- » any entities controlled or jointly controlled by KMP's or the portfolio minister or controlled or jointly controlled by their close family members.

### b) Key management personnel (KMP)

Key management personnel of the Office of the Commissioner for Public Employment are those persons having authority and responsibility for planning, directing and controlling the activities of Department. These include the Minister for Public Employment, the Commissioner for Public Employment and 6 members of the executive team/the Management Directors as listed on page 54 of this Annual Report.

### c) Remuneration of key management personnel

The details below excludes the salaries and other benefits of the Minister for Public Employment as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's annual financial statements.

The aggregate compensation of key management personnel of the agency is set out below:

	2019 \$000	2018 \$000
Short-term benefits	1 213	1 279
Long-term benefits	98	109
Termination benefits	-	-
<b>Total</b>	<b>1 311</b>	<b>1 388</b>

## d) Related party transactions:

### Transactions with Northern Territory Government controlled entities

The department's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific purpose payments.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government controlled entities.

	Revenue from related parties \$000	Payments to related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
<b>2019</b>				
NTG departments	1 477	1 503	9	28
Subsidiaries	159	210	6	2
<b>Total</b>	<b>1 636</b>	<b>1 713</b>	<b>15</b>	<b>30</b>
<b>2018</b>				
NTG departments	1 384	1 849	12	31
Subsidiaries	47	154	5	3
<b>Total</b>	<b>1 431</b>	<b>2 003</b>	<b>17</b>	<b>34</b>

The agency's transactions with other government entities are not individually significant.

#### Other related party transactions are as follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory Public sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed. There are no other related party transactions in excess of \$10 000 or on non-standard terms and conditions that may be reported.

## 18. Contingent liabilities and contingent assets

### a) Contingent liabilities

Contingent liabilities are potential future costs to Government that may arise from guarantees, indemnities, legal and contractual claims and hence they constitute a risk to the Territory's financial position.

The agency had no contingent liabilities as at 30 June 2019 or 30 June 2018.

### b) Contingent assets

The agency had no contingent assets as at 30 June 2019 or 30 June 2018.

## 19. Events subsequent to balance date

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in these financial statements.

## 20. Schedule of administered Territory items

The agency does not have any Territory items (refer Note 2(d)).

## 21. Budgetary information

Comprehensive Operating Statement	2018-19 Actual \$000	2018-19 Original budget \$000	Variance \$000	Note
<b>INCOME</b>				
Appropriation				
Output	5 730	5 597	133	
Commonwealth	-	-	-	
Sales of goods and services	982	1 218	(236)	1
Interest revenue	-	-	-	
Goods and services received free of charge	706	792	(86)	
Other income	5	-	5	
<b>TOTAL INCOME</b>	<b>7 422</b>	<b>7 607</b>	<b>(185)</b>	
<b>EXPENSES</b>				
Employee expenses	5 152	4 653	499	2
Administrative expenses				
Purchases of goods and services	1 932	2 144	(212)	1
Repairs and maintenance	1	10	(9)	
Depreciation and amortisation	3	3	-	
Other administrative expenses	706	792	(86)	
Grants and subsidies expenses				
Current	17	8	9	
<b>TOTAL EXPENSES</b>	<b>7 810</b>	<b>7 610</b>	<b>200</b>	
<b>NET (DEFICIT)/SURPLUS</b>	<b>(388)</b>	<b>(3)</b>	<b>(385)</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to net surplus/deficit</b>				
Changes in accounting policies	-	-	-	
Correction of prior period errors	-	-	-	
Changes in asset revaluation surplus	-	-	-	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>COMPREHENSIVE RESULT</b>	<b>(388)</b>	<b>(3)</b>	<b>(385)</b>	

1 Decrease due to reduced uptake in training courses by agencies.

2 Increase is predominantly due to the voluntary redundancy program and costs associated with enterprise bargaining agreements negotiations.

Balance Sheet	2018-19 Actual \$000	2018-19 Original budget \$000	Variance \$000	Note
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	3 356	3 835	(479)	
Receivables	37	38	(1)	
Prepayments	112	41	71	
<b>Total current assets</b>	<b>3 506</b>	<b>3 914</b>	<b>(409)</b>	
<b>Non-current assets</b>				
Property, plant and equipment	3	6	(3)	
<b>Total non-current assets</b>	<b>3</b>	<b>6</b>	<b>(3)</b>	
<b>TOTAL ASSETS</b>	<b>3 508</b>	<b>3 920</b>	<b>(412)</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	73	58	15	
Provisions	546	646	(100)	
<b>Total current liabilities</b>	<b>620</b>	<b>704</b>	<b>(85)</b>	
<b>Non-current liabilities</b>				
Borrowings and advances	-	-	-	
Provisions	-	-	-	
Other liabilities	-	-	-	
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL LIABILITIES</b>	<b>620</b>	<b>704</b>	<b>(85)</b>	
<b>NET ASSETS</b>	<b>2 889</b>	<b>3 216</b>	<b>(327)</b>	
<b>EQUITY</b>				
Capital	58	58	-	
Reserves	-	-	-	
Accumulated funds	2 831	3 158	(327)	
<b>TOTAL EQUITY</b>	<b>2 889</b>	<b>3 216</b>	<b>(327)</b>	

Cash Flow Statement	2018-19	2018-19	Variance	Note
	Actual	Original		
	\$000	\$000	\$000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Taxes received	-	-	-	
Grants and subsidies received				
Current	-	-	-	
Capital	-	-	-	
Appropriation				
Output	5 730	5 597	133	
Commonwealth	-	-	-	
Receipts from sales of goods and services	1 082	1 218	(136)	1
Interest received	-	-	-	
<b>Total operating receipts</b>	<b>6 812</b>	<b>6 815</b>	<b>(3)</b>	
<b>Operating payments</b>				
Payments to employees	5 209	4 653	556	2
Payments for goods and services	2 203	2 154	49	
Grants and subsidies paid				
Current	17	8	9	
Capital	-	-	-	
Community service obligations	-	-	-	
Interest paid	-	-	-	
<b>Total operating payments</b>	<b>7 429</b>	<b>6 815</b>	<b>614</b>	
<b>Net cash from/(used in) operating activities</b>	<b>(617)</b>	<b>-</b>	<b>(617)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing receipts</b>				
Proceeds from asset sales	-	-	-	
Repayment of advances	-	-	-	
Sales of investments	-	-	-	
<b>Total investing receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Investing payments</b>				
Purchases of assets	-	-	-	
Advances and investing payments	-	-	-	
<b>Total investing payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net cash from/(used in) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	

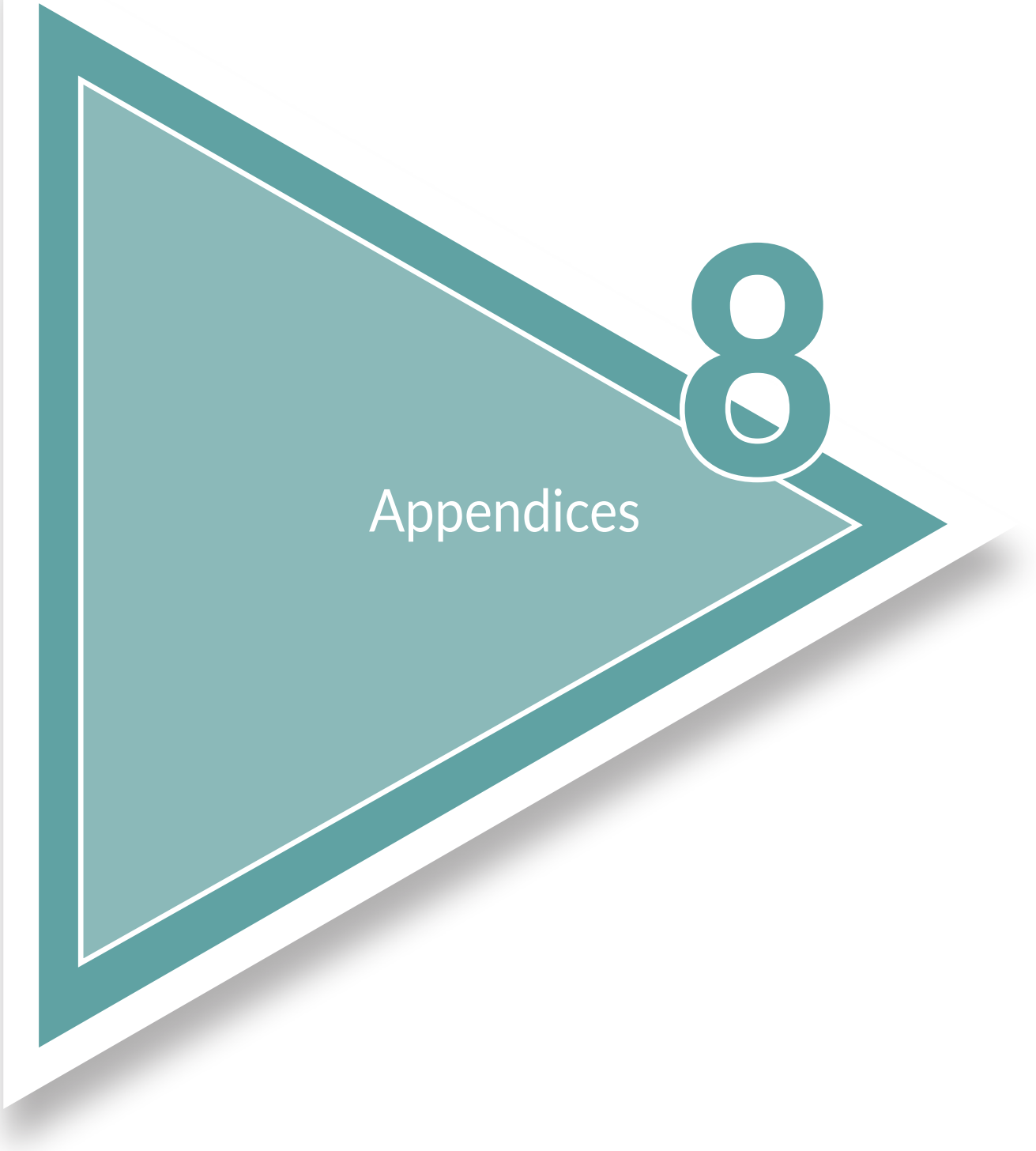


Cash Flow Statement (continued)	2018-19 Actual \$000	2018-19 Original budget \$000	Variance \$000	Note
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing receipts</b>				
Proceeds of borrowings	-	-	-	
Deposits received	-	-	-	
Equity injections				
Capital appropriation	-	-	-	
Commonwealth appropriation	-	-	-	
Other equity injections	-	-	-	
<b>Total financing receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Financing payments</b>				
Repayment of borrowings	-	-	-	
Finance lease payments	-	-	-	
Equity withdrawals	-	-	-	
<b>Total financing payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Net increase/(decrease) in cash held	(617)	-	(617)	
Cash at beginning of financial year	3 973	3 835	138	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>3 356</b>	<b>3 835</b>	<b>(479)</b>	

1 Decrease due to reduced uptake in training courses by agencies.

2 Increase is predominantly due to the voluntary redundancy program and costs associated with enterprise bargaining agreements negotiations.





Appendices

# Feedback form

We welcome your feedback on the OCPE Annual Report 2018-19. Your comments and suggestions will be used in the development of future reports.

Please tick the relevant box to indicate how you rate this Annual Report.

	Excellent	Good	Satisfactory	Poor
Overall impression				
Presentation and design				
Easy to read and understand				
Content/information				

Which areas of the report were most useful?

.....  
 .....  
 .....

How do you think the report could be improved?

.....  
 .....  
 .....

Does the report contain the information you required?

Yes     No

Please indicate where you are from:

- Australian Government
- NT Government
- Other State or Territory Government
- Community member or organisation
- Education or research institution
- Industry
- Private sector

If no, please list suggested information to be included in future reports.

.....  
 .....  
 .....

Please return your completed feedback form either by email, post, or facsimile to:

Email:           enquiries.ocpe@nt.gov.au

Post:             GPO Box 4371  
                   DARWIN NT 0801

Facsimile:      08 8999 4186

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