

Office of the
Commissioner for
Public Employment

Annual Report

2005-2006



Northern Territory Government
Office of the Commissioner for Public Employment

Office of the Commissioner for Public Employment

Annual Report 2005-2006

Purpose of the Report

The Annual Report highlights the Office of the Commissioner for Public Employment's key achievements against outcomes and assesses performance against outputs.

It also provides the Northern Territory Legislative Assembly with an account of performance against the approved budget as published in the 2005-2006 Budget Paper No.3.

In addition, the Office is responsible for giving an account of the performance of the Northern Territory Public Sector (NTPS) in the State of the Service Report (with Statistical Supplement) in a separate report.

Published by the Office of the Commissioner for Public Employment

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ISSN 1323-2894

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Letter to the Minister

The Hon. Paul Henderson MLA
Minister for Public Employment
PO Box 3146
Darwin NT 0801

Dear Minister Henderson

RE: OCPE ANNUAL REPORT 2005-2006

In accordance with the provisions of section 28 of the *Public Sector Employment and Management Act*, I am pleased to submit the Annual Report on the activities and achievements of the Office of the Commissioner for Public Employment for the year ending 30 June 2006.

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

- Proper records of all transactions affecting the Office are kept and that employees within my responsibility observe the provisions of this Act, the regulations and the Treasurer's Directions;
- Procedures within the Office ensure that at all times a proper control over expenditure, receipts and public property are afforded. The Office's Accounting and Property Manual has been updated to provide a full description of such procedures; and
- In accordance with section 15 of the *Financial Management Act* the internal audit capacity available to the Office is adequate. No indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from accounts and records exists.

In my opinion the financial accounts included in this Annual Report have been prepared from proper accounts and are in accordance with Part 2 section 5 and Part 2 section 6 of the Treasurer's Directions.

To the best of my knowledge all Employment Instructions issued by the Commissioner for Public Employment pursuant to section 16 of the *Public Sector Employment and Management Act* have been complied with.

In accordance with section 131(2) of the *Information Act* (NT), I advise that the preliminary requirements set by the Northern Territory Archives Service have been complied with and that my Office is continuing to work towards achieving full compliance with Part 9 of the *Act*.

Yours sincerely



KEN SIMPSON
Acting Commissioner for Public Employment



Part 1

Introduction and Overview

Commissioner's Foreword

The purpose of this report is to fulfil my statutory responsibility to report to the Minister for Public Employment on the activities by the Office of the Commissioner for Public Employment in 2005-2006. The report is also designed to inform stakeholders on how well the Office has performed against its objectives, to summarise major initiatives and achievements made throughout the year and to foreshadow some of the challenges and priorities that lie ahead.

I would like to acknowledge the contribution that Mr John Kirwan has made over the past four years in the role of Commissioner. John, who completed his tenure as Commissioner for Public Employment on 30 June 2006, was responsible for a number of important initiatives including the Remote Workforce Development Strategy, Portable Long Service Leave Scheme for the Construction Industry, overseeing a number of complex Enterprise Bargaining Agreement (EBA) negotiations across all occupations in the Northern Territory Public Sector (NTPS) with minimal industrial action, the development of the first NT Government Wages Policy and the Indigenous Employment Career Development Strategy - to name a few. This report bears testimony to John's work in a range of areas, including his belief in and advocacy for improving Indigenous outcomes.

Achievements for the Office in 2005-06 include:

- Launched a Portable Long Service Leave Scheme (NT Build) for the Northern Territory Building and Construction Industry.
- Established Northern Territory Workplace Advocate to inform, educate and consult with NT workers, employers and their representatives about rights and responsibilities in relation to work matters.
- Celebrated the graduation of 76 Public Sector Management Program participants in Darwin and, for the first time, in Alice Springs. The Chief Minister hosted both ceremonies.
- Established Revive and Refocus Forums to encourage support and inform remote-based NTPS staff.
- Developed the NTPS Indigenous Employment Tool Kit to assist managers and employers recruiting and retaining Indigenous people. The tool kit was launched in Darwin, Alice Springs and Tennant Creek during the year.
- Developed the first formal NT Government Wages Policy.

More detailed information about these and other initiatives and the impact they have had on our workforce is provided later in this report.

The year ahead of us promises to be difficult and challenging for a number of reasons:

- The industrial relations landscape in Australia is changing under the Federal WorkChoices Legislation.
- As the largest employer in the Territory we are affected by the global skills shortage and we will need to overcome the difficulties in attracting and recruiting skilled workers to the Territory.
- There is an ever-present need to increase the level of Indigenous employment in the NTPS to better reflect the make up of our society.
- The role and function of the Office is changing and diversifying into private sector issues with the implementation of the NT Workplace Advocate.
- The needs and expectations of our key clients and stakeholders are changing as they look towards this Office to provide more practical assistance to leverage off strategies that have been put in place over the past few years.

One of my statutory roles as the Commissioner for Public Employment is to provide an annual report to the Minister for Public Employment (Minister) on human resource management issues with the NTPS. Normally this report is contained within the OCPE Annual Report; however, this year for the first time the State of the Service Report will be produced as a stand alone document to provide better separation between the performance of this Office and what is happening across the sector.

In closing I would like to recognise the commitment and dedication that has been demonstrated by the staff at OCPE since I assumed the role and look forward to working more closely with them in the year ahead.



Ken Simpson
Acting Chief Executive
30 September 2006

About the Office

OCPE is a central agency within the NTPS with sector-wide responsibility for providing an effective employment framework for the management and development of the NTPS workforce.

The Commissioner for Public Employment is the Chief Executive Officer and, under section 12 of the Public Sector Employment and Management Act (PSEMA), is deemed to be the employer of all employees in the NTPS.

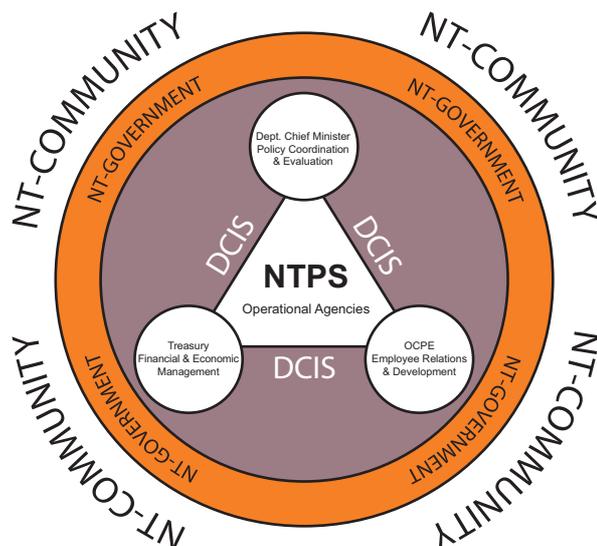
What We Do

Roles and functions of the Office are to:

- Support the Commissioner's statutory role, as defined in the *PSEMA*;
- Provide sound and timely advice to Government on all aspects of human resource issues affecting the public sector;
- Support Chief Executive Officers (CEOs) and their agencies to develop relevant human resource management policies and practices;
- Advise CEOs on the implementation of policies and practices;
- Represent the interests of the Northern Territory Government in workplace negotiations and tribunal hearings as the statutory employer;
- Coordinate sector-wide training and development programs;
- Address employee concerns through appropriate review and appeal mechanisms;
- Identify emerging issues and provides a strategic focus for collaborative partnerships with CEOs; and
- Provide leadership and guidance in the above matters across the public sector.

The Administrative Arrangements Order gives the Office principal responsibility for the following areas of Government administration:

- Public sector;
- Industrial relations; and
- Development and coordination of public and private employment strategies.



The Office is responsible for the following Acts:

- *Public Sector Employment and Management Act*
- *Public Sector Employment and Management Act (Transition and Savings)*
- *Public Sector Employment (Interim Arrangements) Act*
- *Public Employment (Mobility) Act*
- *Prisons (Arbitral Tribunal) Act*
- *Police Administration Act (Part III)*
- *Annual Leave Act*
- *Long Service Leave Act*
- *Public Holidays Act*
- *Construction Industry Long Service Leave and Benefits Act*

Key external influences that affect the operations of the 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 NT; and
- Australian Government industrial relations system and reform agenda – as the *Northern Territory Self Government Act* did not establish a Northern Territory industrial relations system.

Functions of the Commissioner

Under section 13 of the *PSEMA*, the Office fulfils the role of employer by establishing policy and practice frameworks for the management of all public sector employees. This is achieved through the defined functions of the Commissioner:

- To determine the respective designations and other terms and conditions (including the remuneration) of employment for employees;
- Subject to the Act, to promote, uphold and ensure adherence to the merit principle in the selection of persons as, and the promotion and transfer of, employees;
- To determine practices and procedures relating to the recruitment and appointment 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 as appropriate CEOs in evaluating the performance of employees employed in their agencies;
- To coordinate training, education and development 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; and
- Such other functions as are imposed on him or her by or under the *PSEMA* or any other Act, or as directed by the Minister.

OCPE's Strategic Plan

Vision

A skilled, unbiased and creative public sector that provides the highest quality service to the people of the Northern Territory.

Mission

Leading and coordinating the development of a skilled, committed and strategically aligned workforce to achieve quality innovative Government services for the Northern Territory community.

We will do this through:

- Collaborating with the NTPS Chief Executive Officers and Human Resources Managers to build a creative and innovative workforce, skilled to meet the needs of the future;
- Taking a leadership role in the identification of strategic shifts, trends and contemporary public sector workforce practice; and
- Coordinating activity across agencies to ensure an integrated whole of government approach.

The success of our workforce strategies relies on the NTPS commitment to actively being an employer of choice for our valued employees. It also requires all NTPS agencies to maintain a skilled public sector workforce that understands and is aligned to achieving agency goals and objectives.

Our Values

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

- Respect and consideration;
- Shared ethics, professionalism and accountability;
- Fairness, equity and diversity;
- Encouragement and support for innovation; and
- Continuous learning and sharing of knowledge.

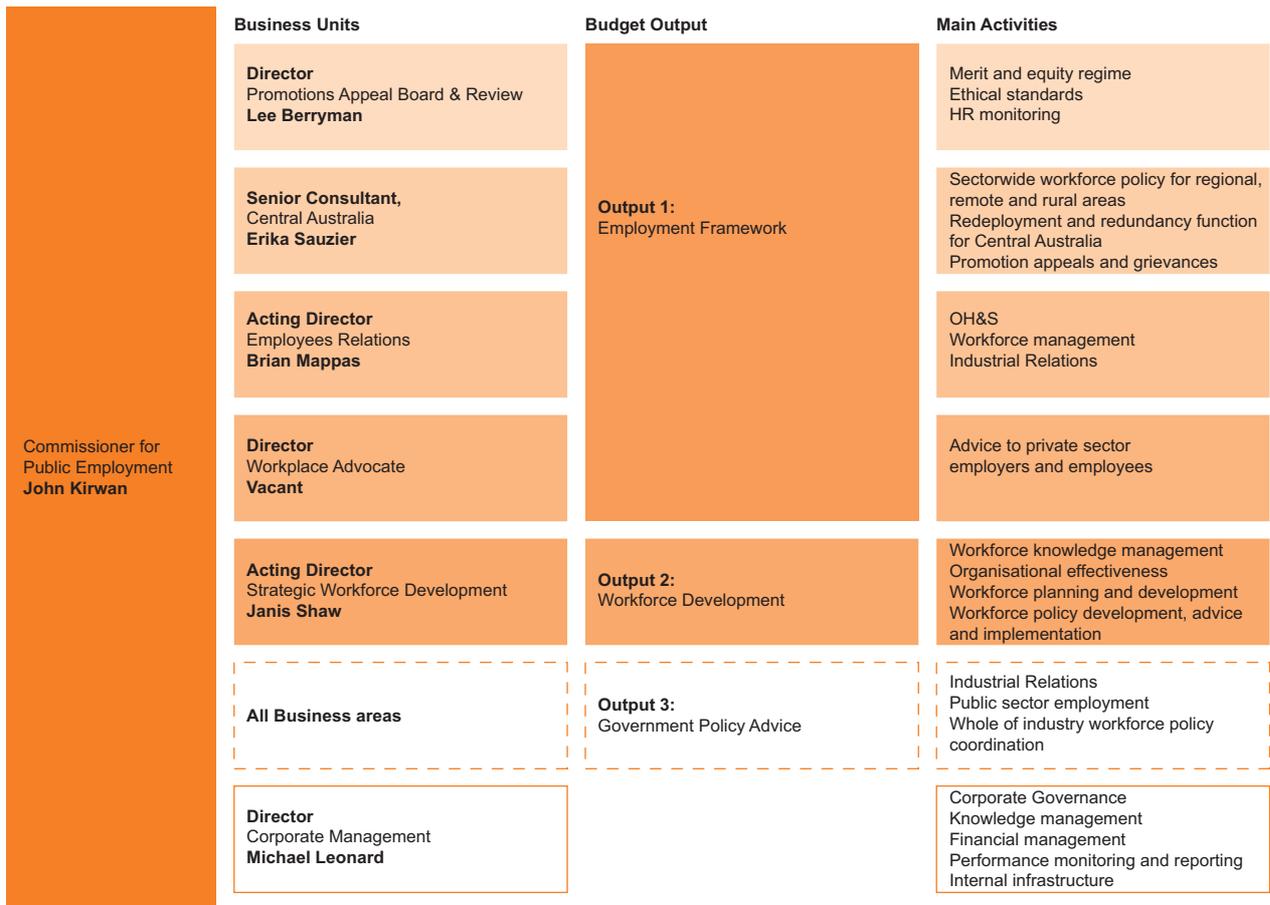
The Office vision, mission statement and values, along with our statutory responsibilities are critical in defining and guiding our work.

The Office consists of six business units (as depicted below) that deliver outputs as contained in NT Budget Paper No3.

Operational Structure

Promotion appeals and reviews are delivered by an independent body, the Promotions Appeal Board and Review (PAB&R). For administrative purposes, the PAB&R is located within the Office organisational structure. The physical location of PAB&R is on the ground floor of the Harbour View Plaza building and the other business areas within the Office are located on the fourth floor. A separate financial analysis and financial statements for PAB&R are in the financial statements section.

The diagram below indicates the senior management team of the Office at 30 June 2006.



Key Achievements 2005-2006



Established the Northern Territory Workplace Advocate, who has a key role in advising the private sector (March 2006).
For more information see [page 40](#).



21

Launched a Portable Long Service Leave Scheme (NT Build) for the Northern Territory Building and Construction Industry.
For more information see [page 21](#).



36

Celebrated the graduation of 76 Public Sector Management Program participants in Darwin and Alice Springs. The Chief Minister hosted both ceremonies, with the graduation ceremony being held in Alice Springs for the first time.
For more information see [page 36](#).



32

Developed the NTPS Indigenous Employment Tool Kit to assist managers and employers recruiting and retaining Indigenous people. The tool kit was launched in Darwin, Alice Springs and Tennant Creek.
For more information see [page 31](#).



31

Evaluated the Remote Workforce Development Strategy and revised the work program for the next three years.
For more information see [page 32](#).



32

Piloted the Work Life Balance Policy in three agencies with positive results.
For more information see [page 34](#).

Evaluated the Women in Leadership and Management pilot programs in two agencies and provided support for the ongoing implementation of the Women in Leadership and Management Policy.
For more information see [page 35](#).



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Established a new Public Policy Program as an initiative to build workforce capabilities in NTPS for the identification, development and implementation of good policy.
For more information see [page 36](#).

Endorsed a new Mobility and Exchange Policy to facilitate mobility within NTPS and external organisations.



Developed the first formal NT Government Wages Policy.



Part 2

Performance Reporting

Outcome 1: Employment Framework

OUTPUT GROUP: EMPLOYEE RELATIONS AND PROMOTIONS APPEAL BOARD AND REVIEW

OVERVIEW

Employee Relations and Promotions Appeal Board and Review are major business units of the Office. Employee Relations is responsible for:

- Private and public sector industrial relations;
- Strategic public sector human resource management policy;
- Northern Territory Public Sector employment framework;
- Employee relations advice;
- Executive contract of employment arrangements;
- Job evaluation policy;
- Northern Territory Government input to International Labour Organisation matters;
- Labour Inspectorate – for *Long Service Leave Act*, *Public Holidays Act* and *Annual Leave Act*
- Workforce statistics and analysis;
- Central management of public sector redeployment and redundancy;
- Disciplinary / Inability Appeals Board Secretariat; and
- Secretariat services to the Prison Officer and Police Arbitral Tribunals.

Employee Relations and the Promotions Appeal Board and Review (PAB&R) work together on the following outputs to provide an effective employment framework. However, the PAB&R performance is reported as a separate section at page 23.

MERIT AND EQUITY

The merit principle is the cornerstone of the employment framework on which all human resource management in the NTPS is based. In its broader sense, merit based recruitment and selection is central to apolitical public sector accountability. It ensures that employees providing services to the Northern Territory community have the appropriate knowledge, skills, qualifications, experience and potential for development to be able to provide those services effectively.

The *NTPS Merit Selection Guide*, reprinted in 2005, continues to provide a fair and transparent framework based on principles of natural justice, human resource management and conduct.

ETHICAL STANDARDS

All NTPS employees are bound by:

- *Public Sector Employment and Management Regulation No. 2 – Principles of Public Administration and Management*;
- *Regulation No. 4 – Principles of Conduct*; and
- *Employment Instruction No. 13 – Code of Conduct* (the Code).

The Code requires that 'Employees shall disclose in writing to the Chief Executive Officer any financial or other interests held by them immediately upon becoming aware that a potential conflict between personal interest and official duty, whether real or apparent, has risen or is likely to arise.'

As outlined in last year's report, Cabinet has directed that CEOs must declare in writing their private financial and other interests where these might conflict with their official duties. Within agencies, CEOs continue to be responsible for deciding which executives and employees should complete written declarations.

When the guidelines and draft declaration are finalised, they will be circulated to agencies for comment before they are submitted to Cabinet for approval.

OCCUPATIONAL HEALTH AND SAFETY

PSCC Occupational Health and Safety Sub Committee

All Australian Governments have endorsed the National Occupational Health and Safety (OHS) Strategy 2002-2012 and its work related fatality and injury reduction targets.

Clause 20 of the *Northern Territory Public Sector 2004-2007 Certified Agreement* (NTPS CA) commits parties to achieving a healthy and safe work environment through implementing an OHS Framework.

In line with this, a Public Sector Consultative Council (PSCC) Sub Committee was formed in late 2005. It comprises representatives from Unions NT, NT WorkSafe, the Office and key agencies. The Sub Committee met regularly in 2005-2006 to develop an OHS framework for the NTPS.

A central feature of the framework will be the introduction of appropriately trained health and safety representatives in agencies. The representatives will be responsible for identifying and mitigating health and safety concerns in each workplace.

It is envisaged that this will be incorporated into the existing NTPS OHS Framework, which is summarised below:

- Agency CEOs are responsible for healthy and safe NTPS workplaces, in accordance with section 24 (k) of the *Public Sector Employment and Management Act*.
- To assist CEOs, Employment Instruction No. 12 – Occupational Health and Safety Programs establishes the minimum requirements for agency OHS programs, including annual reporting requirements.
- The *Work Health Act* and Regulations place responsibility on employers, workers and occupiers of workplaces to operate without placing any person at risk of injury or disease. Under this legislation, a Health and Safety Committee must be established if it is requested by a majority of employees.

- Department of Employment, Education and Training (NT WorkSafe), the Office and the Department of Corporate and Information Services (DCIS) share responsibility for coordinating implementation of the National OHS Strategy 2002-2012 in the Northern Territory.
- Depending on their role, operations and risk profile, agencies enter into OHS partnerships (service level agreements) with DCIS to ensure high standards of OHS compliance.

Pandemic Influenza Planning

In December 2005 an NT Pandemic Influenza Planning Committee (NTPIPC) was established to develop strategies to minimise the effect of a pandemic influenza outbreak in the Northern Territory. The Committee's members are drawn from a number of key agencies. The Departments of the Chief Minister and Health and Community Services have dual responsibility for cross government coordination.

The Office is responsible for developing contingency plans relating to employment and industrial relations matters. Over the next 12 months the Office will work with other agencies and jurisdictions to ensure responses to an influenza pandemic are comprehensive and effectively coordinated within the NT and nationally.

WORKFORCE MANAGEMENT

Advisory Services

Employee Relations provides specialised consultancy services to agencies, individual employees and members of the public. Advice covers the full range of HR services including interpreting the employment framework, conditions of service, Labour Inspectorate, recruitment and selection, reviews and appeals, industrial relations, job evaluation, redeployment and redundancy, discipline and inability matters.

Industrial Relations Services

Employee Relations provides the full range of industrial relations (IR) services to government and agencies including strategic IR advice and policy setting, negotiation of workplace agreements, dispute resolution and employer representation in industrial tribunals. Significant changes introduced recently by the Australian Government's WorkChoices legislation have led to Employee Relations expanding its IR services into the private sector. This has had, and will continue to have, resourcing implications. Further discussion on IR services is at page 38.

Implement Certified Agreements

Certified agreements negotiated under the Australian Government *Workplace Relations Act* provide a valuable mechanism for reviewing various employment initiatives and working arrangements. In 2005-2006 the Office worked with agencies and unions to implement the outcomes of a number of reviews. They included:

- Expanding the NTPS OHS Framework to include appointment of health and safety representatives in workplaces;
- Conducting work value assessments of physical and technical designation jobs that have not been reviewed since August 2002;
- Considering employment issues affecting professional designation employees, including surveying individual perceptions and analysing a range of other data; and
- Superannuation arrangements including joint employer/employee contributions, contributions linked to retention, employer contribution rates and transition to retirement issues.

Further information about Workplace Agreements in 2005-2006 is at page 38.

Industrial Representation and Dispute Resolution

The Commissioner for Public Employment is the statutory employer of all NTPS employees employed under the *Public Sector Employment and Management Act*. The Commissioner is therefore a party to all industrial awards and agreements and any industrial dispute arising in relation to those awards or agreements.

Employee Relations staff appear on behalf of the Commissioner in proceedings before the Australian Industrial Relations Commission (AIRC) and the Police and Prison Officer Arbitral Tribunals.

Not all disputes go before the AIRC or a tribunal for resolution. Many are resolved through intervention of the Office and direct negotiation between the Office, agency and union.

Some of the matters Employee Relations dealt with in 2005-2006 include:

- Dispute before the Police Arbitral Tribunal in relation to the standard of housing for police officers;
- Dispute before the AIRC in relation to payment of an on-call allowance for nurses in Nhulunbuy and Katherine hospitals; and
- Separate unfair dismissal cases before the AIRC in relation to former employees of the Department of Justice and Department of Health and Community Services.

Some of the matters resolved without reference to the AIRC or tribunals include:

- Dispute in relation to after hours service for Family and Community Services employees in the Department of Health and Community Services;
- Dispute in relation to staffing arrangements for the Low Security Area of the Berrimah Correctional Centre; and
- Dispute in relation to staffing numbers at the Berrimah Correctional Centre.

Employee Relations also provided specialist advice on various industrial matters; for example advice to the NT Government and Department of Health and Community Services on occupational health and safety concerns with a St John Ambulance Service work site.

Provide Tribunal Secretariat Services

Employee Relations staff provide a secretariat service to the Police Arbitral Tribunal (PAT) and the Prison Officers Arbitral Tribunal (POAT). These tribunals are established under Northern Territory legislation and perform functions similar to the Australian Industrial Relations Commission. In 2005-2006 four matters were referred to the PAT and no matters were referred to the POAT.

HR MONITORING, EVALUATING AND REPORTING

Executive Contract Management

Executive Contracts of Employment are the employment arrangements for senior managers employed in the NTPS. Contracts are performance based and provide a flexible and attractive employment package for executive employees.

An Executive Contract Officer's (ECO) remuneration package includes:

- Five weeks recreation leave a year;
- Fully maintained vehicle;
- Superannuation including the ability to salary sacrifice into superannuation;
- Telephone; and
- Executive contract up to four years.

The NTPS has a single executive structure with classifications from ECO 1 to ECO 6. The level for each job is set through the Government's Job Evaluation System. It is expected that employees at the ECO level will perform consistently at a high standard and that high standard is reflected in the remuneration and conditions provided.

An Executive Remuneration Review Panel, comprising the Chief Executive Officer of the Department of the Chief Minister, Under Treasurer and Commissioner for Public Employment, is the approving authority for variations to standard executive contract remuneration packages. The panel makes recommendations to the Chief Minister about senior executive appointments.

ECO terms, conditions of employment and remuneration rates are published on the OCPE website.

Remote Locality Working Conditions

For the purposes of employee entitlements, a remote locality is defined as 'a town, place, community or locality, outside the environs of Darwin, Katherine and Alice Springs, where access to health, education, social, financial, emergency, communication and professional support services are limited'.

Generally, the entitlements available to employees who work in remote localities include:

- Fares out for employee and dependants;
- Rental concessions;
- Freight allowance; and
- Special study leave program.

Employment arrangements in remote localities remained largely unchanged in 2005-2006 and no new provisions were introduced.

The Remote Localities Working Party, made up of union and agency representatives, met twice in 2005-2006. Major issues included relocation arrangements and whether Katherine should be considered a remote locality. Further discussions are taking place on both issues.

Review Employee Relations Developments in Other Jurisdictions

The Office participates and conducts research and analysis for a range of inter-jurisdictional forums that share information and discuss contemporary employment issues. They include:

- Public Sector Commissioners' Conference;
- Public Sector Industrial Relations Forum; and
- Private Sector Senior Officers Industrial Forum.

The Office monitored developments in other jurisdictions and assessed them for their impact and possible implementation in the NT. In 2005-2006, these included

- Work life balance initiatives;
- Australian Government workplace relations reform;
- Market rates and conditions, including executive remuneration;
- Occupational health and safety; and
- Legal precedents through court and industrial tribunal decisions that impact on employment.

Australian Government Workplace Relations Reform

A significant Employee Relations activity relates to oversight, policy responsibility and inter-jurisdictional liaison for industrial relations.

Activities in 2005-2006 included:

- Advising agencies on industrial matters;
- Negotiating and implementing certified and workplace agreements;
- Resolving industrial disputes;
- Advising Government on industrial relations policy matters generally; and
- Liaising with other state and territory industrial relations units to ensure a coordinated response to the Australian Government's workplace reform agenda.

A significant development, and one that will have a major impact on the Office, was the introduction of amendments to the *Workplace Relations Act (Commonwealth)*, which came into effect in March 2006. The NT Government's response to these changes resulted in a major shift in strategic and operational focus for the Office in the later half of 2005-2006. The Office is increasingly required to become involved in industrial policy matters, including industrial advocacy in the NT private sector. Further information is on page 40.

Job Evaluation System

The Mercer Cullen Egan Dell Job Evaluation System (JES), implemented in 1991, remains the main way to assess the work value of most jobs in the NTPS.

DCIS is responsible for day-to-day administration of the JES, with this Office retaining overall policy responsibility for the system. The licensing agreement requires that Mercer undertake annual audits of the JES. The 2005-2006 audit in June 2005 examined 70 jobs across the public sector, of which 15 positions were identified for in-depth job analysis interviews with job incumbents. Results of the audit had not been received by 30 June 2006.

In 2004-05, in place of their audit, Mercer Consultants conducted a comprehensive review of the JES in the NTPS. In 2005-2006 much work has been done to implement the principal recommendations of the review, including:

- Fully accrediting two additional trainers;
- Conducting 12 JES evaluated training courses, with a further two courses planned;
- Fully revising the NTPS JES and Nursing Work Evaluation manuals;
- Fully revising the content of Job Analysis Questionnaire (JAQ) and making it ready for publication, pending any further refinement as a result of the recent audit;
- Developing and offering 'How to Write a JAQ' course;
- Revising the existing 'How to Write a JAQ Guidelines' to incorporate changes to the JAQ document;
- Revising the JES information booklet and flyer for publication; and
- Including information on the JES in NTPS newsletters.

STATUTORY OBLIGATIONS FULFILLED

Approval of Selection without Advertising under 30 (1) (b) of the Public Sector Employment and Management Act.

A fundamental tenet of the NT Public Sector employment framework and the *Public Sector Employment and Management Act (the Act)* is the principle of merit. Merit based selection is the norm across the public sector, however the Act provides for selection to a vacancy without advertising in certain circumstances.

In accordance with section 30 (1) (b) of the Act, agencies must seek the approval of the Commissioner for Public Employment to directly select a person to a position without advertising. Requests of this nature are strictly assessed by Employee Relations to ensure the principle of merit is upheld and approvals are only given when merit has been applied.

In 2005-2006, a total of 53 requests for such approvals across the sector were received. Of these, five were not approved. This compares with a total of 524 requests in 2004-2005, of which 20 were not approved. The 2004-2005 total was abnormally high due to a significant review and restructure in the Department of Employment, Education and Training (DEET), which accounted for 437 of the requests. A number of direct appointments were approved in remote communities due to difficulty in recruiting to those areas.

Labour Inspectorate

The Office is responsible for administering the *Public Holidays Act*, *Long Service Leave Act* and *Annual Leave Act*, which operate for the NT private sector. In 2005-2006 the Office regularly responded to queries and provided advice to employees and employers relating to the Acts. Staff from the Office also investigated four alleged breaches of the *Long Service Leave Act*. There were no alleged breaches of the *Public Holidays Act* or the *Annual Leave Act* in 2005-2006.

The Office is working to clarify the impact of the new federal workplace relations legislation on the *Annual Leave Act*.

BUILDING

ORGANISATIONAL EFFECTIVENESS

Portability of Long Service Leave for the Northern Territory Building and Construction Industry

The *Construction Industry Long Service Leave and Benefits Act 2005 (the CILSLB Act)* came into effect on the 1 July 2005, enabling Territory building and construction workers to benefit from portable long service leave arrangements that are already in place in other states and territories.

As noted in the 2004-05 Annual Report, an OCE implementation team successfully established the scheme on 30 June 2005.

On 1 July 2005, ongoing administration of the scheme was passed to a Government appointed statutory tripartite Board established under the *CILSLB Act*. The Board, named NT Build, consists of an independent Chairperson, NT Treasury nominee, and industry members nominated by:

- Territory Construction Association (TCA);
- Housing Industry Association (HIA);
- Construction Forestry and Mining Energy Union (CFMEU); and
- Unions NT.

Under the Administrative Arrangements Order, the Office has been given principal responsibility for general administration of the *CILSLB Act*. The Board is responsible for administering the Portable Long Service Leave Scheme, providing advice and making recommendations to the Minister for Public Employment about operation of the legislation. NT Build staff are OCE employees seconded by arrangement between the Commissioner and the NT Build Board.

The scheme's Registrar is on the OCE Management Board. This allows the Office to monitor the scheme and ensures that NT Build Board's advice to the Minister is provided in consultation with the Commissioner.

The scheme, including staffing and operational expenses, is funded through a levy on construction work undertaken in the Territory and investment earnings. NT Build is not an agency within the meaning of the *Financial Management Act* or the *Public Sector Employment and Management Act* and, as such, no general allocation of funding is provided through the Territory budget.

Under the *CILSLB Act*, the NT Build Board has responsibilities in terms of expending monies and financial reporting requirements. The NT Build Board must submit a separate report on the performance of the scheme to the Minister for Public Employment annually.

Further information on the NT Build Portable Long Service Leave Scheme is at www.ntbuild.com.au.

FUTURE PRIORITIES

Federal Workplace Reform

While WorkChoices amendments to the Australian Government *Workplace Relation Act* were enacted in March 2006, the final form of the new arrangements is still uncertain.

This is partly due to the High Court challenge by the States and Territories over the constitutional validity of the legislation and the significant and wide ranging changes introduced. It is also due to the Australian Government's indication that it is open to fine-tuning of the legislation, and ongoing legal interpretation of the provisions.

In 2006-2007 the Office will analyse the reforms, advise the Government on the effects of the legislation on the Northern Territory, and consider the implications for the statutory employer of public sector employees.

Expansion of the Role of the Office

The NT Government has stated its opposition to the Australian Government's Workplace Reform Agenda and, where possible, has sought to ameliorate its effect in the Northern Territory. The Office will continue to advise Government on the effect of the amendments to the legislative environment and implement measures to assist Territory employers and employees to maintain fair employment arrangements.

The newly established Northern Territory Workplace Advocate has a key role in advising the private sector. The Workplace Advocate will inform, educate and consult with NT workers, employers and their representatives about rights and responsibilities in relation to work matters.

Reassessment of Priorities

The Office plans to reassess its priorities as a result of the complexity and scope of reforms to workplace relations legislation, and will realign resources to allow greater focus on industrial relations matters in the private and public sectors.

EBA (Workplace Agreement) Negotiations

In 2006-2007 the Office will negotiate and implement enterprise agreements (now termed workplace agreements) across the public sector. Negotiations will be finalised for:

- Marine pilots;
- Darwin Port Corporation employees;
- Dental officers;
- Medical officers; and
- Nurses.

The Office will prepare to negotiate agreements that expire in the first half of 2007-2008 for:

- General Northern Territory Public Sector employees;
- Power and Water Corporation employees;
- Fire fighters;
- Teachers; and
- Prison officers.

PROMOTIONS APPEAL BOARD AND REVIEW OF TREATMENT IN EMPLOYMENT

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

Review of Treatment in Employment (section 59 Review) is undertaken on behalf of the Commissioner for Public Employment. Section 59 Review encompasses investigating and reporting on applications lodged under s59 of the *Public Sector Employment and Management Act* (PSEMA). Reviewing officers report to the Commissioner on review findings and make recommendations for review outcomes.

Appeal and s59 review processes provide employees with the opportunity to seek independent consideration of actions or decisions by agencies. The Promotions Appeal Board and Review (PAB&R) unit independently and impartially reviews practices and decisions, providing feedback and recommendations for future action to employees and agencies.

Vision

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

Mission

- Develop, implement and evaluate policies and strategies to provide effective, impartial and independent review of appeals and s59 requests;
- Foster selection in accordance with the merit principle; and
- Foster fair and equitable treatment of all employees.

Achievements in 2005-2006

- Finalised 43 promotion appeals.
- Finalised 67 s59 reviews.
- Published and distributed Preventing and Eliminating Workplace Bullying brochures and posters.
- Undertook seven mediations within the s59 process.
- Provided Promotions Appeal Board training for five Indigenous employees.
- Participated in employee briefings and inductions at the Department of Health and Community Service (DHCS), Department of Justice (DoJ), Kigaruk and Lookrukin Programs, Australian Human Resource Institute (AHRI), and Department of Defence.

Promotion Appeals 2005-2006

Section 55 of *PSEMA* allows for NTPS employees who wish to challenge the provisional promotion of another employee to lodge an appeal against that promotion on the grounds that they have superior merit for the position.

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

Promotions appeal matters are prescribed under sections 55 and 56 of *PSEMA* and regulations 9, 10, 11 and 12 of the Public Sector Employment Regulations.

Appeals are determined by a tripartite Board consisting of a chairperson nominated by the Commissioner, a nominee of the agency and a nominee of the relevant staff association or union. In determining an appeal, the Board reviews statements provided by parties to the appeal, may seek further information and may also require parties to attend a hearing on the matter.

While appeals must be based on superior merit, employees often seek to redress perceived inappropriate selection practices and feedback through the appeal process. For example, unsubstantiated assessments in individual reports or conflicting feedback can lead to appeals as employees seek to challenge the process and outcome through claims of superior merit. Improved selection practices within agencies would be expected to directly impact on appeal numbers.

From a total of 1158 provisional promotions in the 2005-2006 financial year, 36 promotion appeals and zero protective appeals were received. Of promotion appeals determined during 2005-2006 (including 36 received in 2005-2006 and seven carried over from 2004-2005), one was allowed, 27 were disallowed, eight were withdrawn, five lapsed, and one was sent back for readvertising. At the end of 2005-2006 there was one outstanding appeal. This chart provides an overview of promotion appeals in the past five financial years.

2005-06 Appeals

Totals for Promotion Appeals (permanent/temporary/protective)					
	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Appeals carried over	2	27	3	4	7
Appeals received	74	35	29	146	36
Total Handled	76	62	32	150	43
Finalised	49	59	28	143	42
Allowed	3	1	2	1	1
Disallowed	20	34	16	47	27
Readvertised	0	0	0	2	1
Withdrawn	13	11	5	38	8
Lapsed	13	7	5	50	5
Cancelled	0	6	0	5	0
On hand at end of period	27	3	4	7	1



Note: The higher appeal level during 2004-05 was caused in part by a couple of large selection exercises resulting in a large number of actual and protective appeals. The number has returned to a more usual level v 3% of promotions being appealed against. This fits within the historical range for NT public sector appeals.

2005-06 Section 59

Review of Treatment in Employment

Under section 59 of the *PSEMA*, employees may request the Commissioner review matters related to treatment they have received while employed in the public sector. This also includes failure to take action or make a decision.

Review of Treatment in Employment is also outlined in Employment Instruction (EI) Number 8 (Management of Grievances). Reference to s59 review is also made in clause 6 of EI Number 2 (Probation), and clause 11 of EI Number 5 (Medical Incapacity).

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

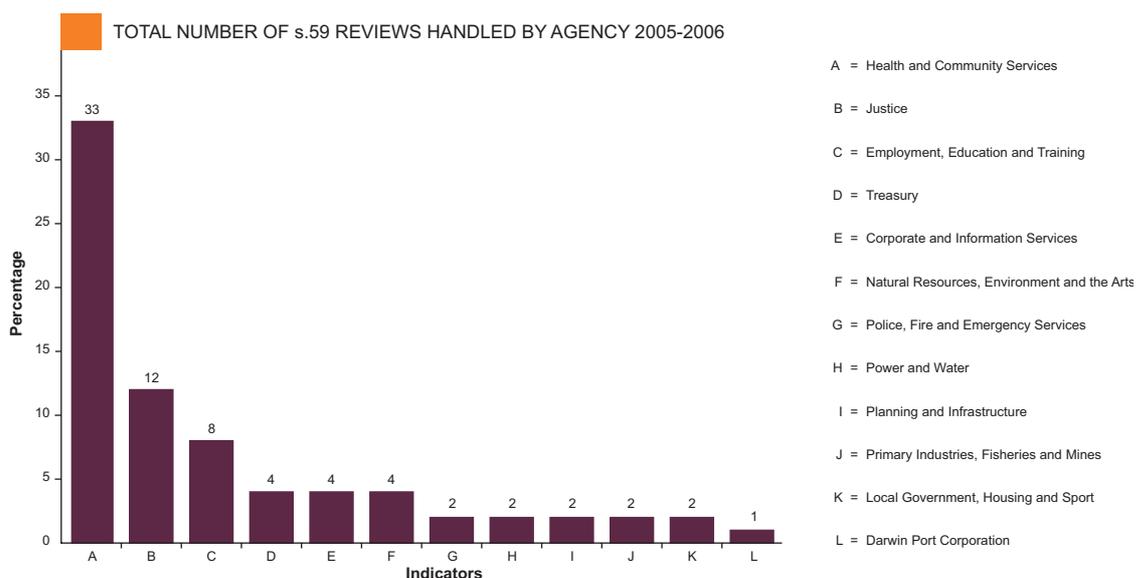
The most common reasons for lodging a request for review are bullying and harassment, the way selection processes are handled, inconsistent adherence to procedures and guidelines, the termination of probationary appointment process, the application of conditions of service, management practices and personal conflicts in the workplace.

The time taken to complete s59 reviews has been an ongoing concern. The aim is to review all requests within 100 days, however, all parties to the review are provided with opportunity to comment on the matters raised and this consultation has often led to extended time delays. Currently the average time taken to complete s59 review is 132 days.

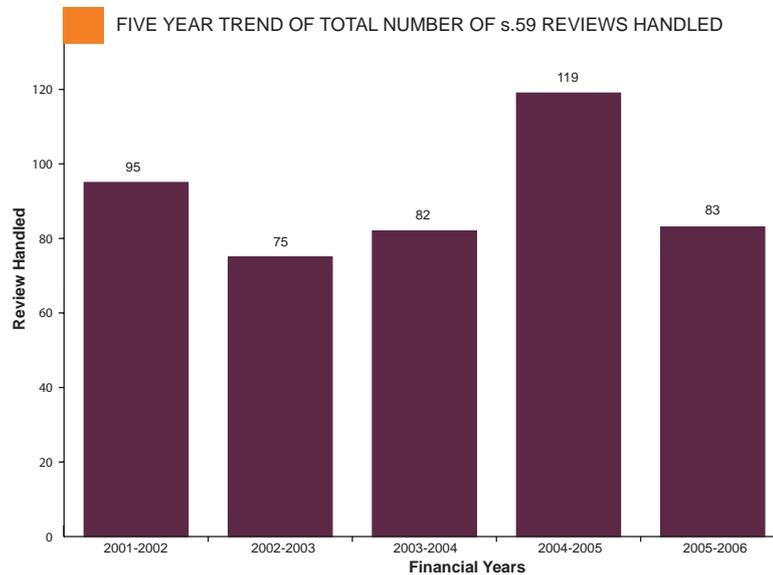
The Office continues to encourage agencies to respond to reviews in a timely, consultative and mediated way. PAB&R also works closely with identified agencies to address and finalise their s59 reviews.

A total of 83 s59 reviews (56 formal reviews and 27 referred back to agencies) were handled in 2005-2006. Eight have been subject to mediation, and six were successfully resolved at mediation. In one case mediation was unsuccessful and one is still subject to mediation. Below is a statistical overview of s59 reviews in the past five financial years and a table showing number of s59 requests by agency.

Total s.59 Requests for Review Handled



Total s.59 Requests for Review by Agency Handled



Mediation

To address concerns about the timeframes, formality and often adversarial nature of s59 reviews, mediation has been included as an integral first step in the review process. Early resolution through mediation provides considerable savings in time, resources and emotional input for the agencies and employees concerned.

During 2005-2006 there were a total of eight mediations of s59 matters. Six resulted in the matter being resolved, one was unsuccessful and one is still subject to mediation. This equates to 9% of total s59s handled, with a success rate of 75%.

Separate to s59 reviews, several agencies have advised that they have undertaken mediations, facilitated discussions and conflict management processes on internal employee 'grievances' and associated matters. For example the DHCS reports over 20 internally resolved matters while DoJ had 13 early interventions (two of these mediated). DEET reports 30 matters resolved by agency intervention (five of these through mediation). While evidence has not been collected across all agencies, it is likely that internal early intervention is reducing the number of requests for s59 review; and also reducing the overall costs to the NTPS of review processes.

Bullying in the Workplace

Clause 24 of the current EBA provides for the implementation of anti-bullying strategies and for further development, education, implementation and review of these strategies. Clause 24 also reinforces the responsibilities of all employees and managers and supervisors to work towards eliminating or reducing bullying in the workplace.

In 2005-2006 PAB&R published and distributed anti-bullying information brochures and posters. Agencies are now tasked with the implementation of the anti-bullying framework through adapting and accessing the framework, suggested policy statements and support material.

Enquiries

PAB&R responds to employee and agency enquiries on appeal and review matters. This may involve advising about process or discussing the individual issues. Enquiries may be brief, but may also require investigation or follow-up either verbally or in writing. The following chart provides an indicator of the enquiries received.

Table 3 – Verbal and Written Enquiries

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Promotions Enquiries	458	603	283	419	249
Review/Treatment in Employment Enquiries	385	1034	1116	1362	667
Enquiries on Other Matters	133	520	1164	927	346
Requiring more detailed response	131	57	63	116	59
Totals	1107	2214	2626	2824	1311

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Outcome 2: Workforce Development

OUTPUT GROUP: STRATEGIC WORKFORCE DEVELOPMENT

OVERVIEW

Strategic Workforce Development has NTPS-wide responsibility for:

- Leadership and management development programs;
- Human resource management strategic policy;
- Human resource development policy and advice to agencies and other clients;
- Indigenous employment and career development;
- Remote workforce development; and
- Succession planning and capacity building.

WORKFORCE KNOWLEDGE MANAGEMENT

Create Specific Inter-agency Working Teams

OCPE has worked with a number of interdepartmental groups that provided guidance for a range of workforce planning and development initiatives.

In 2005-2006 these included the Indigenous Employment and Career Development Strategy, the Public Sector Management Program, the Public Policy Program, the Remote Workforce Development Strategy, the Willing and Able Strategy, the Women in Leadership and Management Strategy and Work Life Balance.

BUILDING

ORGANISATIONAL EFFECTIVENESS

Develop Model Human Resources (HR) Indicators

OCPE has identified a number of HR indicators that agencies could use to measure and evaluate HR activities in the NTPS. A formal document detailing these indicators will be developed in 2006-2007.

PROFESSIONAL DEVELOPMENT EVENTS – NTPS STAFF EVENTS

Disability Awareness Week

As part of Disability Awareness Week (16-20 August 2005), various lunchtime presentations were conducted daily at the Darwin City Council Library Theatre.

Topics of particular interest to staff included the Willing and Able Strategy, the Disability Works Australia contract for recruitment, a session on Disability and Advocacy, and a session on Disability and Public Service.

Frankly Be Fearless

The Office in conjunction with the Institute of Public Administration of Australia (IPAA), Charles Darwin University (CDU) and the Young Professionals Network (YPN) organised a seminar on how to provide policy advice, called Frankly Be Fearless.

The seminar was extremely popular and was repeated twice due to the overwhelming response. The first seminar was conducted by Professor Ian Thynne, Chair of Governance, Charles Darwin University and Mr Graham Symons, Deputy Chief Executive Officer, Department of the Chief Minister.

Developing and Writing Operational Policy and Procedures

The Office in partnership with IPAA held a one-day program on Developing and Writing Operational Policy and Procedures on 22 March 2006 with keynote speaker Dr Ida Vincent.

This program aligns to a Diploma of Government qualification from the national Public Service Training Package.

PROFESSIONAL DEVELOPMENT EVENTS – OCPE STAFF

Cross Cultural Awareness Course

In accordance with the clause 4.1 of the OCPE's Indigenous Employment and Career Development Strategy all employees are required to participate in a cross-cultural awareness program. Mr Don Christopherson from Morning Star gave a presentation on 6 July 2005 at Harbour View Plaza.

Disability Works Australia Presentation

On 15 March 2006, Mr Tim O'Donnell from Disability Works Australia (DWA) gave a presentation aimed at employees who sit on recruitment selection panels. The presentation focused on services available to help panels to equitably assess and interview applicants who have identified as having a disability.

Update on the Economic Development Framework

Ms Marj Morrissey of the Department of Business, Economic and Regional Development was invited present on the current status of the Northern Territory Government's Economic Development Framework. OCPE employees attended this presentation in Harbour View Plaza on 3 April 2006.

Dr Etienne Wenger - social learning theorist and originator of the concept of communities of practice

Dr Etienne Wenger led a discussion on learning as a transformation of our identity. in-house for OCPE and DEET in April 2006.

Project Management Seminars

Ms Kay Cook from the Department of Employment, Education and Training gave two in-house workshops on developing project management proposals and plans. These were held in June 2006.

WORKFORCE PLANNING

Capacity Building

The NTPS is currently developing a sector-wide framework for succession planning to ensure there is a pool of talented, highly skilled and capable people to meet future leadership requirements.

The focus is on 'growing our own' people, attracting skilled professionals to the NTPS, planning for the future and having policies, structures and systems that support working life.

Accredited Activities

OCPE co-ordinates a range of leadership development programs, such as the Public Sector Management Program, Kigaruk Indigenous Men's Leadership Development Program and Lookrukin Indigenous Women's Leadership Development Program.

NTPS agencies contribute significantly to employees' development by reimbursing HECS fees for accredited university programs. This provides participants with an academic pathway to further career development.

Career Development Activities

OCPE is developing a range of options to help retain staff and provide opportunities for career progression. Initiatives include developing a mobility and exchange program, promoting and supporting a mentoring program, and designing a career-mapping framework. OCPE also organises occasional seminars with keynote speakers to enhance the concept of continuous learning through professional development for NTPS employees.

Demographic Environmental Awareness

Recent OCPE initiatives to promote awareness of contemporary workforce practices to address demographic challenges include:

- Developing Indigenous Employment Tool Kit;
- Promoting flexible work arrangements through the Work Life Balance Strategy;
- Introducing a Women in Leadership and Management Policy;
- Promoting and supporting the Willing and Able Disability Strategy;
- Promoting and supporting the Remote Workforce Development Strategy; and
- Assessing broad NTPS demographics and key areas of strategic vulnerabilities.

The Office aims to facilitate the development of a dynamic and integrated public sector that is committed to innovation and service excellence and, above all, values people. Further work will be undertaken in developing specific workforce development strategies across the NTPS.

Chief Minister's Awards for Excellence in Public Sector Management

In 2005-06 OCPE developed the inaugural Chief Minister's Awards for Excellence in Public Sector Management to recognise, honour and celebrate excellence in public sector administration and delivery of services to the community.

The Awards also provide opportunities for sharing knowledge across all areas of the Northern Territory Government and increased community awareness of the breadth, diversity and quality of management skill and endeavour in the Northern Territory Public Sector.

Nominations are open to any work group or team in the Northern Territory Public Sector, including partnerships with other jurisdictions, the non-government sector and the private sector. There are four categories

- Cross-Government Collaboration;
- Engagement with the Community;
- Regional and Remote Development; and
- Indigenous Community Development.

The winners will be announced at a presentation dinner in September 2006 in Alice Springs. The Chief Minister will present the awards.

Succession Planning for Executives

Leaders need to plan strategically for succession in order to enhance capability and to ensure a vibrant and innovative public sector for the future. OCPE is working in partnership with agencies across the NTPS to develop improved capability in executive leadership and management.

As part of this initiative, OCPE is introducing several new executive development activities to promote and support executive leadership capabilities:

- Enhancing strategic planning and problem solving skills;
- Developing business strategies;
- Improving leadership and management styles;
- Modelling behaviours of success;
- Raising personal confidence and self-esteem;

- Developing conflict resolution, change management and other skills;
- Providing an independent perspective; and
- Providing the opportunity to discuss issues confidentially.

The new executive development activities include an Executive Coaching Program, 360 degree feedback and the piloting of Executive Learning Sets.

Executive Coaching

This coaching will develop executive level abilities to deliver economic, social and governance responsibilities for all Territorians. Executive coaching is an investment in the capability of talented people for the future.

360 Degree Feedback

OCPE is planning to provide structured performance feedback for executives and senior staff from managers, peers and subordinates on aspects of their effectiveness by using the NTPS Executive Leadership Capabilities 360 Degree Feedback Instrument (ELC360°FI). This instrument has been developed for officers in senior management positions.

Learning Sets

OCPE is piloting Learning Sets made up of senior NTPS executives, or a combination of NTPS executives and inter-jurisdictional executives. Executives will have the opportunity to become more effective leaders skilled in the management of change.

Certificate IV in Government (Generalist) Pilot Program

Delivery of a Certificate IV in Government (Generalist) pilot program ended in 2005-06.

This was in response to:

- Recommendations from the 2003 Review of Public Sector Education and Training;
- The need to build the capacity and capability of the NTPS at all levels;
- The need to support the principle that the NTPS 'grow our own staff'; and
- Developing the capacity of CDU to deliver this program under the Partnership Agreement so it is accessible to NTPS employees in the future.

The program was delivered in Katherine, Alice Springs and Darwin, with 85 employees from a range of agencies participating. At the end of 2005-06 period 41 participants had graduated from the program, with another 10 expected to complete their studies later in 2006.

Evaluation revealed that 48% of participants undertook the certificate to improve career prospects, and of these 65% agreed that their objectives had been met. Of those who have graduated with the qualification, 29% have experienced career advancement, and 51% of all participants indicated that the program had increased their ability to do their job well, regardless of whether or not they graduated. The success of the pilot program is highlighted by 89% of all participants agreeing that they would recommend the program to their colleagues.

Performance Management Framework

This Office acknowledges that employees should have the opportunity and support to maintain the capability to perform their roles.

Agencies need to ensure the job responsibilities, business objectives and priorities and the appropriate standards expected in the workplace in relation to personal and professional performance are clearly communicated to all employees. To support this process, OCPE has developed guidelines for agencies in managing the performance management framework and an achievement plan to support employees in their personal and professional performance.

NTPS Indigenous Employment and Career Development Strategy 2002–2006

To ensure the NTPS workplace reflects the broader community, the Office continues to coordinate and implement the NTPS Indigenous Employment and Career Development Strategy across Government agencies. About 28% of the NT population are Indigenous. The Office recognises that Indigenous people in the NT comprise the single largest cultural group and are a significant user of Government services.

Since launching the NTPS Indigenous Employment and Career Development Strategy, there has been a 59% increase in the proportion of people who identify as Indigenous employed in NTPS agencies, from 725 (4.6%) in November 2002 to 1154 (6.8%) in December 2005.

Monitoring and Evaluation

Effective monitoring and reporting on the implementation of the Strategy needs accurate data to assist in planning and developing appropriate recruitment, retention and career development initiatives.

The implementation of the Strategy is monitored regularly, with data collected from agencies and reported to Cabinet bi-annually. As a result of efforts across agencies to improve Equal Employment Opportunity (EEO) data integrity, the number of staff entering EEO data has increased significantly, up from 35% in 2001, to 54% in May 2004, to 66% in December 2005.

NTPS Indigenous Employment Tool Kit

In 2005, the Office developed the NTPS Indigenous Employment Tool Kit to help managers and employers recruit and retain Indigenous people.

The first tool kit launch was held in Darwin in 2005, and regional launches have followed in Alice Springs in 2005 and Tennant Creek in 2006. Additional launches are planned for the Katherine and Nhulunbuy.

Indigenous Leadership Development

Following the successful Kigaruk Indigenous Men's Leadership Development pilot program conducted in 2004-05, this Office conducted the second Kigaruk Indigenous Men's Leadership Development Program in 2005-06 with 18 participants on the program.

The pilot of the Lookrukin Indigenous Women's Leadership Development program also started in 2005-06 with 35 participants and was conducted concurrently with Kigaruk.

Both programs aim to redress the lack of representation of Indigenous men and women in senior management and executive officer positions in the NTPS; and to provide an opportunity for participants to gain the knowledge and skills necessary to compete on merit for senior positions.

Thirty-two participants in the Kigaruk and Lookrukin Indigenous Leadership Programs graduated at CDU in May 2006.

Evaluation of the Indigenous Employment and Career Development Strategy 2002-2006

Now in its final year of implementation, the strategy is being evaluated by Charles Darwin University, who will report by December 2006. The evaluation will provide direction for the next stage of implementation across the NTPS.

A key focus for OCPE is to continue working with agencies to further develop strategies that will attract Indigenous people into higher level roles such as the professional, technical, nursing and medical streams.

Remote Workforce Development

The Remote Workforce Development Strategy (RWDS) was launched in November 2003. The strategy is a whole of government approach to improving links between agencies and addressing the challenges of distance, isolation and cost in providing support and development opportunities to remote employees.

The final year of the strategy's initial implementation was 2005-2006. During the year the Scholarships and Innovative Grants schemes continued, and a new employee support program of Revive and Refocus Forums was developed and implemented. Charles Darwin University provided an independent evaluation of the strategy.

Scholarships

In 2005-2006 Remote Workforce Scholarships to the value of \$165,280 were awarded to 42 remote based employees, including Darwin Remote* (5), East Arnhem (30), Katherine Remote* (2), Tennant Creek/Barkly (1) and Alice Springs Remote* (4). The employing agencies were:

- Department of Employment, Education and Training (DEET);
- Department of Health and Community Services (DHCS);
- Department of Primary Industry, Fisheries and Mines (DPIFM); and
- Department of Natural Resources, Environment and the Arts (DNRETA).

Special scholarships were also awarded to remote based employees to allow them to participate in the Public Sector Management Program (2), the Kigaruk (1) and Lookrukin (3) Indigenous Leadership Development Programs and the Discovery Women as Leaders Program (4).

Note: *Employees located in communities in these regions that the NTPS classifies as remote.

Innovative Grants

Sixteen Innovative Grants to the value of \$281,539 were awarded to three agencies for delivering professional development programs and initiatives for remote employees.

DEET was awarded \$46,100 to undertake 10 initiatives, Northern Territory Police, Fire and Emergency Services (NTPFES) was awarded \$60,000 to undertake two initiatives, and the DHCS was awarded \$75,430 to undertake four initiatives.

Revive and Refocus Forums

A new remote employee support program of Revive and Refocus Forums provide remote based employees with networking opportunities, reflective learning and regrouping activities, and activities to develop strategies for cross cultural effectiveness and inter-agency collaboration.

The pilot forum was held in March 2006 for employees living and working in communities in the Barkly and Sandover regions, with 18 employees and their families participating in the program. Another forum was held in May 2006 for employees living and working in Western Desert remote communities, with 15 employees and their families participating.

An Indigenous specific Forum has now been developed. The pilot is planned for North East Arnhem Indigenous employees in September 2006, and will be conducted primarily in Yolngu. This is the first program delivered for NTPS Indigenous employees in an Indigenous language, and potentially a first anywhere in Australia.

Remote Workforce Development Strategy Evaluation (RWDS)

The strategy was independently evaluated in 2005, with the final report being presented to the NTG in June 2006. A total of 14 recommendations emerged, in five key areas:

1. Focus of the strategy;
2. RWDS Committee structure, composition and its functions;
3. Agency support and involvement in the RWDS;
4. Promotion of the RWDS; and
5. Notions of remoteness.

The evaluation report recommended that the RWDS be continued under the auspices of OCPE, and that it retain many of its overarching outcomes. Work has now started to refocus strategy programs and initiatives to align specifically to outcomes, and to develop program specific and key performance indicators.

Other Initiatives Under Remote Workforce Development Strategy

- Improved Personnel Information and Payroll System (PIPS). Agencies can now consistently and efficiently record and extract data on remote employee demographics and entitlements. Over time, this will allow the NTPS to better plan for remote workforce development.
- Enhanced the Bush Telegraph, a community-based website that provides extensive information about remote communities in the NT
- Funded Professional Assault Response Training in remote communities.
- Funded the development of the Sector Wide Orientation Website.
- Developed a Regional Orientation Project to give remote employees access to comprehensive and regionally specific orientation and induction programs.
- Published two issues of *New Territory*, a newsletter aimed specifically at remote based NTPS employees.

Equity and Diversity

In 2005-2006 OCPE continued its efforts in equity and diversity.

Highlights included:

- Started to implement the Women in Leadership and Management policy.
- Delivered the Commissioner's Awards for Equity and Diversity.
- Consolidated the Willing and Able Strategy 2003-2006 for the employment of people with disabilities in the NTPS.
- Continued the OCPE/Project Employment scheme for people with intellectual disabilities.
- Trialled the NTPS Work Life Balance Policy in three agencies.
- Developed a Diversity Framework for the NTPS.
- Continued to publish a monthly equity and diversity Calendar of Events on the Office website.

Willing and Able Strategy

Willing and Able – a strategy for the employment of people with disabilities in the NTPS 2003-2006 was launched in 2003. The Willing and Able strategy provides practical mechanisms to help agencies increase the employment of people with disabilities in the NTPS.

Since the strategy began the reported proportion of employees with a disability has increased from 1.4% in December 2003 to 2.1% in June 2006, representing a 50% increase in the percentage of people with disabilities employed. At the same time the proportion of employees who have not declared their disability status has dropped from 62.5% to 53.1% (a decrease of 15%) due to campaigns within agencies to encourage employees to declare their EEO status.

Highlights included:

- Work by the disAbility Awareness Network for people with disabilities in the NTPS, which identified the existing poor physical access for people with disabilities in NT Government, owned and occupied buildings. This led to the establishment of an annual building access award jointly sponsored by the Commissioner for Public Employment and the Anti-Discrimination Commissioner, as well as planned information bulletins to building owners, managers, architects and planners.
- A 12-month pilot program of compulsory interviews for people with disabilities meeting essential selection criteria, which is now being evaluated to determine future directions.
- Assistance from Disability Works Australia in providing support and information for people with disabilities wanting to enter the NTPS and to selection panel members interviewing them.

Project Employment

The Office works in partnership with Project Employment, a non-profit Australian Government funded organisation, to provide work experience and training opportunities for people with an intellectual disability.

Ten people participated in the scheme in 2005-06. Two participants completed their two-year period in the scheme and were permanently placed in their agency.

OCPE continued to work with agencies to try to place long-term participants in permanent employment rather than continue with temporary contracts.

The scheme is being reviewed.

Commissioner's Awards for Equity and Diversity

The 2005 Commissioner's Awards for Equity and Diversity were held on 23 November 2005. The awards included the categories of Open, Regional and Special. The Special Category award recognised initiatives that were designed to increase the employment of Indigenous people in the NTPS.

The winner of the Open Category for 2005 was DNRETA for Indigenous Employment and Staff Development at the Alice Springs Desert Park.

The winner of the Regional Category was DEET for Maningrida CEC Uses Technology to Promote Equity and Diversity.

The winner of the Special Category was the Department of Primary Industry, Fisheries and Mines (DPIFM) and the Department of Business, Economic and Regional Development (DBERD) for their Indigenous Employee Network.

Work Life Balance

The Work Life Balance Policy and Implementation Plan 2004-2006 was launched in September 2004. The aim of the Policy is to provide a framework and foundation for NTPS agencies to develop and implement effective work life balance strategies over the next three years.

Three agencies (Department of Health and Community Services, Department of Employment, Education and Training and Department of the Chief Minister) spent 12 months piloting work life balance initiatives including training and awareness sessions for managers and employees. The work life balance pages on the OCPE website provide tool kits, fact sheets and case studies.

At least 38 applications for flexible work options were processed during the pilot. Only four applications were turned down (recreation leave had not been exhausted prior to applying for purchase of additional leave). The pilot is now being evaluated.

Women in Leadership and Management Policy

Women now make up 46% of the Northern Territory employed population and 61% of the NTPS workforce. However, the levels of participation by women at management and executive levels within the NTPS remain fairly low, with women occupying only 32% of executive contract positions across administration, teaching, policy and medicine.

Cabinet endorsed the NTPS Women in Leadership and Management Policy Paper in January 2005. Pilot programs aimed at identifying workplace cultural barriers to women's advancement were run in DPIFM, DCHS and Information Services during 2005 and 2006.

The results of the pilot programs supported the policy paper's recommendations for providing a more rigorous application of the merit selection principle, formal networking, taking women into account in succession management planning, ensuring women participate equally in training, and providing mentors and training for mentors. A report on each investigation and an evaluation report will be made available on the OCPE website in late 2006.

The Discovery Women as Leaders program will be offered for the first time in three years in July 2006 and includes a workplace-based project after the training course as well as for mentoring during the course.

Workforce Planning with a Diversity Focus Framework

The development of a diversity framework commenced in 2006. The framework will assist agencies convert existing EEO management plans into diversity plans. The framework will bring together existing NTPS workforce strategies, including:

- Indigenous Employment and Career Development Strategy;
- Women in Leadership and Management Program;
- Work Life Balance;
- Willing and Able (for people with disabilities); and
- Remote Workforce Development Strategy.

The framework aims to ensure the NTPS reflects the diversity of the community it serves.

WORKFORCE

LEADERSHIP AND MANAGEMENT

NTG and CDU Partnership Agreement

OCPE continues its partnership agreement between Charles Darwin University (CDU) and the NTG, and the Office maintains its funding towards the Chair in Governance in the University's Faculty of Law Science and the Arts. The position provides leadership in research and consultancy and, in partnership with the NTPS, guides the further development of programs in governance and public sector management to meet emerging workforce needs.

OCPE also provided support for the development of human resources professional capacity in the NTPS through the creation of a Chair of Human Resources. The Office's support is provided based on the Professor being able to help develop strategic human resource management at all levels and to enhance HR capacity within the NTPS. Funding will be reviewed annually with the intention of ongoing support. The Office has started negotiating with CDU to develop accredited HR units and programs with a view to increasing the skills of HR practitioners in the NTPS.

Accredited activities provided by CDU include the provision and delivery of core units in the pilot Certificate IV in Government (sponsored by OCPE) for five groups of NTPS officers (three in Darwin, one in Katherine and one in Alice Springs).

The University also continues to play a key role in the Kigaruk Indigenous Men's Leadership Development Program and the Lookrukin Indigenous Women's Leadership Development Pilot Program. Participants of both programs graduated in May 2006.

Executive Development Program

The Office continued to contribute to the Executive Development Program in 2005-06. The Executive Development Program (EDP) is an opportunity to add value to the NTPS and the community, through an action and reflective learning based education program..

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

Public Sector Management Program

The Office is the host agency for the Public Sector Management (PSM) Program and continued to coordinate the program throughout 2005-06. The PSM Program is a unique joint venture between the Australian, State and Territory Governments to deliver first class public sector management training and offers a Graduate Certificate from one of four leading Australian universities.

Program Structure

The PSM Program was restructured in 2005 and is delivered in four units:

- Managing Up: The Framework of Public Sector Management;
- Managing Out: The Public Sector in the Community;
- Managing In: Ethics and Career Management in the Public Sector; and
- Managing Down: Managing in the Public Sector

Graduations

The Program began originally as the Public Sector Management Course in 1993 and became the Public Sector Management Program in 2002. The Chief Minister hosted two graduation ceremonies. A total of 53 managers graduated in Darwin on 11 May 2006 and 23 managers graduated in Alice Springs on 18 May 2006. This brings the overall total of Public Sector Management Program graduates in the Territory to 473.

Work Based Projects

Each participant is required to undertake a work-based project. The project is sponsored by their employing organisation. The range of projects over the years is vast and varied. Many have subsequently been implemented. The Office has a reference library of work-based projects, which all NTPS managers can use.

One of our Alice Springs graduates, Mr J. Easterby-Wood, undertook a PSM Program Work Based Project that won the 2003 Commonwealth Association for Public Administration and Management (CAPAM) International Innovations Awards Program (Gold Award). In 2005, this project was put forward for a United Nations award in the category of IT Delivery and Improved Services.

Another of our Alice Springs graduates, Mr Mac Moyses, undertook a PSM Program work based project that won an OCPE Equity and Diversity Award in 2005.

Public Policy Program

The Public Policy Program is a response to the many NTPS employees who would like to learn more about the theory, practice, and daily experience of policy development and delivery. The program has been designed to offer a range of perspectives on policy development and implementation, tailored to the Northern Territory Government and community context.

The program will increase sector-wide understanding of the issues involved in developing and implementing policy, evaluating policy advice, and the practical elements of writing and producing policies at all levels. Planning and development of the program started in March 2006 for implementation from July 2006. The program will be offered annually through a series of seminars and workshops, which will include presentations by senior public sector executives and local and interstate academics.

WORKFORCE POLICY, DEVELOPMENT, ADVICE AND IMPLEMENTATION

Developing the Human Resource Capability in the East Timor Public Service

In 2005, OCPE received funding from AusAID to develop human resource and public sector governance capacity and capability in the East Timor Public Service through a needs analysis and plan for training and development activities. The project started in January 2006, however, the recent civil unrest in East Timor has resulted in the project being suspended until it is considered safe for NTPS staff to travel to Dili.

The project is designed to jointly develop a sustainable and contemporary Human Resources and Public Sector Governance planning framework that will complement the East Timor Public Service Handbook and the *Civil Service Act*. The first draft of this framework, completed in March 2006, covers performance management, recruitment, career development, core functions, ethics, leadership training, values, succession planning, organisational change, communication, capability planning, workplace health and safety and workforce management.

A primary focus of the project has been the sustainable development of skills and capabilities of East Timor officials thus contributing to a smooth transition as expatriate expertise is withdrawn in the coming years. Executive and senior staff in the East Timor Public Service are working with staff from NTPS a twinning arrangement. A total of East Timorese officials were placed in NTPS agencies for a week in March. Direct training and development has been limited to the provision of two workshops for these officials, delivered by OCPE staff who visited Dili in January and April 2006.

Pacific Commissioners' Conference

OCPE supports Timor Leste capacity building by providing funding for senior officials to attend key meetings in Australia and the Pacific. In 2006, OCPE sponsored Mr Liborio Pereira, the National Director of the Public Service in Timor Leste, to attend the Pacific Regional Heads meeting in Fiji in July 2005 and in Papua New Guinea in June 2006.

FUTURE PRIORITIES

Career Mapping

- Develop a framework for early careers.

Mentoring

- Promote and provide guidance for best practice mentoring in the NTPS.

Mobility

- Develop mobility and exchange program to facilitate mobility within NTPS and external organisations.

Diversity

- Develop and implement a range of flexible workforce management options to meet current and future needs.
- Promote a tolerant, inclusive and culturally aware workforce.
- Monitor the implementation of the Indigenous Employment and Career Development Strategy (IECDS).
- Implement and monitor the Work Life Balance strategy Women in Management and Leadership strategy Willing and Able Strategy and the Remote Workforce Development Strategy.

Workforce capability building

- Create an adaptable and supportive employment framework to facilitate change.
- Coordinate the NTPS Public Policy Program.
- Coordinate the 2007 Commissioner's Awards for Equity and Diversity.
- Coordinate Revive and Refocus Forums for remote NTPS staff
- Review and promote RWDS Innovative Grants to agencies.
- Support investigation into recruitment and selection in remote communities.

Outcome 3: Government Policy Advice

OUTPUT GROUP:

EMPLOYEE RELATIONS

OVERVIEW

Employee Relations has NTPS-wide responsibility for:

- Private and public sector industrial relations policy;
- Strategic public sector human resource management policy;
- Public sector employment framework;
- Employee relations advice;
- Executive contract of employment matters;
- Job evaluation policy;
- Northern Territory Government input to International Labour Organisation matters;
- Labour Inspectorate;
- Workforce statistics and analysis;
- Management and policy development for central redeployment and redundancy;
- Discipline/Inability Appeals Board Secretariat; and
- Secretariat services to the Prison Officer and Police Arbitral Tribunals.

GOVERNMENT STRATEGIC PRIORITIES

The Office takes a principal role in achieving the Government's key strategic objectives and assists other agencies to achieve their objectives.

The Commissioner has a critical role in providing appropriate employment conditions, industrial environment and employee capability frameworks to enable agency chief executives to carry out their roles effectively. This role of the Office has taken on added significance with introduction of the Australian Government's WorkChoices legislation and workplace reform agenda.

INDUSTRIAL RELATIONS SERVICE

A major task for Employee Relations is negotiating Workplace Agreements for all Government employees, developing industrial relations policy and providing strategic advice to Government and agencies.

Activities include:

- Providing strategic industrial relations advice to the Minister and NT Government;
- Providing strategic industrial relations advice and guidance to agency CEOs and senior management;
- Negotiating and implementing Workplace Agreements;
- Resolving industrial disputes; and
- Researching, coordinating and developing NT responses to cross-jurisdictional and specific NT private sector industrial issues.

Workplace Agreements

In 2005-2006 negotiations started for:

- Darwin Port Corporation Marine Pilot's Agreement 2003. This agreement nominally expired on 1 July 2005 but remains unresolved. There have been significant market shifts in this highly specialised area and negotiations continue to be difficult;
- Dental Officers (Northern Territory Public Sector) Certified Agreement 2002-2005. This agreement nominally expired on 30 August 2005 but remains unresolved;
- Medical Officers (Northern Territory Public Sector) Certified Agreement 2003-2006. This agreement nominally expired on 30 June 2006. Negotiations for a new agreement were ongoing at 30 June 2006;
- Darwin Port Corporation (Northern Territory Public Sector) Certified Agreement 2003-2006.

This agreement nominally expired on 30 June 2006. Negotiations for a new agreement were ongoing at 30 June 2006; and

- Northern Territory Public Sector Nurses Certified Agreement 2003-2006. This agreement is due to expire on 9 August 2006. Negotiations for a new agreement were ongoing at 30 June 2006.

In 2006-2007 the following agreements will be negotiated:

- Power and Water Certified Agreement 2004 – Working Together to Meet the Challenge. This agreement covers about 700 employees and is due to expire on 8 August 2007;
- Northern Territory Public Sector 2004-2007 Certified Agreement. This agreement covers about 9000 employees and is due to expire on 9 August 2007;
- Prison Officers (NTPS) 2004-2007 Certified Agreement. This agreement covers about 360 prison officers and is due to expire on 9 August 2007;
- Northern Territory Public Sector Fire and Rescue Service 2004 Partnership Agreement. This agreement covers about 140 employees and is due to expire on 7 November 2007; and
- Northern Territory Public Sector 2005-2007 Teachers and Educators Certified Agreement. This agreement covers about 2750 employees and is due to expire on 1 August 2007.

Implementation of Certified and Workplace Agreements

Certified and workplace agreements are the main ways of achieving benefits for agencies and employees, including enhancing productivity across the NTPS. Most agreements provide for the parties to conduct various enquiries and reviews, and to implement agreed outcomes during the life of the agreement. Reviews with an occupational or agency focus are conducted primarily by the relevant agency and unions. In these reviews the Office's role is to provide specialised industrial relations input and advice, oversight and approval as required. A number of reviews are conducted on a whole of government basis; in these cases the Office takes primary responsibility, with agencies and unions providing input and support as necessary.

A number of reviews and working parties have been established under the Northern Territory Public Sector 2004-2007 Certified Agreement and are mirrored in other agreements. These include:

- Review of Occupational Health and Safety (OHS). This review is working towards the introduction of workplace Health and Safety Representatives as part of the existing NTPS OHS Framework;
- Review of the levels of Physical and Technical jobs. A review of the work value of jobs in the physical and technical classification stream is being conducted across all agencies. The review is confined to those jobs that have not been evaluated since August 2002;
- Professional Issues Review. The working party is considering employment issues affecting NTPS employees in the professional classification. A survey of employees has been conducted with further data collection and analysis to be undertaken in 2006-2007; and
- Superannuation Review. This review is considering a broad range of superannuation issues including: joint employer/employee contributions, employer contribution rate and development of educational programs and transition to retirement.

Workplace Relations Act (Commonwealth)

A major impact on the Office in relation to industrial relations occurred with the introduction of amendments to the Commonwealth Government's *Workplace Relations Act* (the Act). The Northern Territory Government has publicly announced its opposition to the amendments to this Act.

The new legislative regime impacted on the Office in several ways in 2005-2006 and will continue to do so. The most significant of these is creation of the Northern Territory Workplace Advocate in the OCPE. The new legislation also required the Office to advise and inform Government on a range of subjects, and assess the Act's impact on public sector terms and conditions of employment, awards and agreements.

The Office has:

- Participated in a joint State and Territory action in the High Court of Australia, challenging the constitutional validity of the Act;
- Advised on the impact of the legislation in relation to procurement of goods and services by Government;
- Analysed the Act in relation to NTPS terms and conditions of employment and record keeping; and
- Analysed the Act in relation to public sector award conditions and agreement making processes.

The Office will do further work in these areas in 2006-2007.

NORTHERN TERRITORY WORKPLACE ADVOCATE

On the 2 May 2006, the Minister for Public Employment announced the creation of a Northern Territory Workplace Advocate position, to be co-located in OCPE.

The role of the Northern Territory Workplace Advocate is to:

- Inform, educate and consult with Territory workers, employers and their representatives about work-related rights and responsibilities;
- Facilitate and encourage fair industrial treatment of workers;
- Promote informed decision-making by Territory workers and employers;
- Act as an advisory service for workers, ensuring they are fully informed of the implications of their agreements and how these may affect their terms and conditions of employment;
- Monitor and report to the Minister on industrial relations practices in the Territory; and
- Advise the Minister generally about work-related matters.

The Northern Territory Workplace Advocate will:

- Provide free, independent advice to workers and employers on the content and effect of the Australian Government's WorkChoices reforms;
- Assist employees to check proposed workplace agreements against existing award conditions to make sure that they are fair;
- Assist employers to ensure that they comply with agreement making and record keeping requirements under WorkChoices; and
- Educate employers on the benefits of offering fair employment conditions and adopting fair workplace practices.

INTERNATIONAL LABOUR ORGANISATION (ILO)

The Office has responsibility for ensuring the NT Government complies with all International Labour Organisation (ILO) Conventions and Recommendations as ratified by the Australian Government. The Office reports annually to the ILO in Geneva through the Australian Government Department of Employment and Workplace Relations (DEWR), which administers ILO matters nationally. DEWR facilitates responses from the States and Territories to provide a watching and advisory brief for the Australian Government on ratification of new conventions.

In 2005-2006 the Office was not required to prepare the annual Article 19 reports on unratified conventions, as Australia has already ratified the conventions under review for 2005-2006, i.e. the Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105).

The Office coordinated and prepared Article 22 reports on ratified conventions on behalf of the Northern Territory for:

- Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87);
- Right to Organise and Collective Bargaining Convention, 1949 (No. 98);
- Equal Remuneration Convention, 1951 (No. 100);
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111); and
- Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No.159)

The Office also provided DEWR the NT response for:

- Briefings on direct requests to delegations attending ILO meetings and the ILO Committee of Experts in Geneva;
- The 2005 Annual Follow-up Concerning Non-Ratified Fundamental Conventions (Abolition of Child Labour);
- Matters for the 94th (Maritime) Session of the International Labour Conference (ILC);
- Matters for the 95th Session of the ILC on the working of the Promotional Framework for Occupational Safety and Health; and
- The draft text for the Consolidated Maritime Labour Convention and a Law and Practice report for the ILO on Unemployment Indemnity (Shipwreck) Convention, 1920 (No 8).

In 2005-2006, two annual ILO Technical Officers Meetings were held.

The 2005 Meeting was hosted by OCPE in Darwin in August 2005 and discussed the status of the following unratified conventions:

- OH&S Instruments:
 - C139 - Occupational Cancer Convention, 1974;
 - C148 - Working Environment (Air Pollution, Noise and Vibration) Convention, 1977;
 - C162 - Asbestos Convention, 1986;
 - C167 - Safety and Health in Construction Convention, 1988;
 - C170 - Chemicals Convention, 1990;
 - C174 - Prevention of Major Industrial Accidents Convention, 1993;
 - C176 - Safety and Health in Mines Convention, 1995;
 - P155 - Protocol of 2002 to the Convention 155, Occupational Safety and Health Convention, 1981;
- C182 - Worst Forms of Child Labour Convention, 1999; and
- C175 - Part-time Work Convention, 1994.

The 2006 ILO Technical Officers Meeting was held in Canberra in April 2006 and discussed the status of unratified conventions:

- C138 - Minimum Age Convention, 1973
- C167 - Safety and Health in Construction Convention, 1988
- C175 - Part-Time Work Convention, 1994
- C176 - Safety and Health in Mines Convention, 1995
- C182 - Worst Forms of Child Labour Convention, 1999 and
- P155 - Protocol of 2002 to the Convention 155, Occupational Safety and Health Convention, 1981.

WORK LIFE BALANCE

Work life balance in the Northern Territory Public Sector (NTPS) is underpinned by the Work Life Balance Policy and Implementation Plan 2004-2006, which is dealt with in Outcome 2 of this report.

To support work life balance, the NTPS provides a range of flexible employment conditions:

- Access to sick leave, long service leave and maternity leave entitlements at half pay, full pay or a combination of both;
- Flexible working hours;
- Full-time or part-time employment; and
- Job-share and home based work arrangements.

NTPS Certified Agreements support work life balance by providing for review and introduction of a range of new initiatives by agreement, such as purchased leave and recreation leave at half pay.

Flexible working arrangements may also be approved where current provisions do not accommodate particular needs. A variety of requests for individual arrangements have been approved and implemented by a Commissioner's Determination, for example:

- Recognition of cultural responsibilities through approval of paid leave for ceremonial purposes;
- Access to carer's leave beyond the 10 day maximum per year under special circumstances;
- Recreation leave taken at half pay, often in conjunction with maternity leave also at half pay;
- Purchase of additional leave to meet an employee's specific needs; and
- A range of flexible working arrangements established under Certified Agreement provisions.

The *NTPS (General Conditions of Service) Award 2000* was varied early in 2006 to improve flexibility in employment conditions for employees and to protect conditions from the Australian Government's WorkChoices legislation. The focus was on greater flexibility in accessing leave provisions and entrenching the right for employees to refuse to work overtime where it is unreasonable having regard to their personal circumstances.

The NTPS will continue to work towards improving work life balance for employees with a greater emphasis on the enterprise bargaining process to explore and implement new initiatives.

PSCC WORKING PARTIES

Review of Discipline and Inability Processes

An independent consultant has reviewed the Discipline and Inability processes under *PSEMA*. The review was expanded to include appeal processes, with the aim of streamlining and simplifying the processes. The report is currently with the Office for consideration. Due to changing priorities and subsequent redirection of resources, the review was not finalised in 2005-2006.

Competency Based Assessment and Training

Competency Based Assessment and Training (CBAT) for employees at the base grade Administrative Officer 1 (AO1) level has been in place since the early 1990s and provides salary advancement for AO1 employees through attainment of competencies as opposed to annual increments. The CBAT scheme has not been updated since it commenced and, given the extent of public sector restructure and agency amalgamations that have occurred since its inception, it has been earmarked for review.

Work Life Balance

A working party was established under Certified Agreement provisions to examine and introduce new work life balance initiatives including:

- Purchase of additional recreation leave;
- Use of recreation leave at half pay;
- Introduction of ante-natal leave;
- Introduction of paid paternity leave; and
- Combining a number of leave types into one 'personal' leave entitlement.

The working party's first meeting was held in April 2006 when priorities were set, with a particular focus on improving flexibility in accessing sick leave for caring purposes and the purchase of additional leave entitlements. As agreement is reached on individual initiatives, arrangements will be implemented through Commissioner's Determinations.

The working party is a sub-group of the Equity, Diversity and Flexibility Standing Committee and complements the work being done on work life balance under the Work Life Balance Policy and Implementation Plan 2004-2006 and the award variation process.

Childcare

The Equity, Diversity and Flexibility Standing Committee has undertaken to:

- Help raise awareness of NTPS employees on the childcare facilities and services that are available; and
- Encourage the Australian Government to further advertise its childcare services hotline in the NT and for the Australian Government to encourage childcare providers to list vacancies with the hotline, particularly those for babies.

The Office of Families and Children Services (FACS) in the Department of Health and Community Services deals with childcare in the Northern Territory. Advice from the OCF is that the NT is the only jurisdiction that subsidises childcare services in addition to Australian Government support and has the lowest cost for childcare across Australia.

MINISTERIAL AND CABINET ADVICE

In 2005-2006 the Office prepared and submitted 253 pieces of formal written advice to the Minister and Cabinet, compared with 191 for 2004-2005.

Topics included:

- Northern Territory Public Sector industrial relations;
- Workforce development and planning initiatives;
- Executive employment; and
- Indigenous employment.

The Office provided advice on specific issues including:

- Federal Industrial Relations Reform agenda;
- *Workplace Relations Amendment (WorkChoices) Bill 2005*;
- *Construction Industry Long Service Leave and Benefits Act 2005*;
- Northern Territory Workplace Advocate; and
- Various Enterprise Bargaining Agreements.

PUBLIC SECTOR

CONSULTATIVE COUNCIL

The Public Sector Consultative Council (PSCC) was established by Regulation 22 of the *PSEMA* and is constituted by the Commissioner, who is the Chairperson, a number of NTPS employees and union representatives.

The PSCC met twice in 2005-2006 to discuss issues relevant to the NTPS and made appropriate recommendations to the Commissioner. Issues included:

- The State of the Service;
- Equity, Diversity and Flexibility Working Party;
- Enterprise Bargaining Agreement (EBA) Working Parties;
- Remote Locality Working Party;
- Office of the NT Workplace Advocate; and
- WorkChoices legislation.

Guest speakers gave a number of presentations including:

- Overview of Priorities Review Process - presented by Mr Graham Symons;
- Addressing Skill Shortages - presented by Mr John Hassad (DHCS);
- Broadening Our Horizons, Avenues for Career Mobility – presented by Ms Jenny Stephensen;
- Remote Workforce Development Activities – presented by Dr Janis Shaw; and
- Indigenous Employment Tool Kit – presented by Ms Wendy Ah Chin. ■



Part 3

Effective Corporate Governance

OVERVIEW

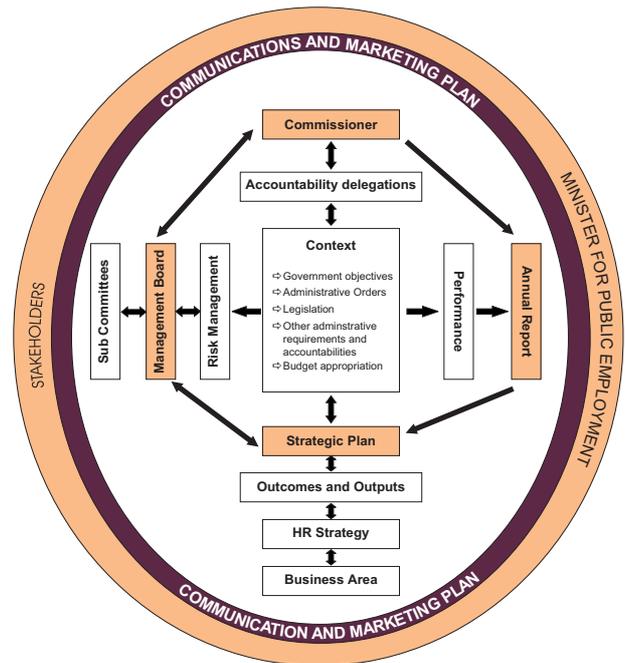
Corporate Management has responsibility for:

- Information Management and Record Management Strategies;
- Information Technology Environment;
- Internet and intranet;
- Communication, Marketing and Publications;
- Human Resource Management;
- OCPE Personnel Services/Staff Development;
- Financial Management;
- Office Services;
- Risk Management and Audit; and
- Strategic Planning and Reporting.

Corporate Management supports the other business units to achieve their outcomes.

GOVERNANCE FRAMEWORK

The Office corporate governance framework aims to ensure and improve the efficient use of resources, compliance with statutory and other external requirements and sound administrative and financial management practice.



Corporate governance practices include:

- Identifying and planning strategies for delivering the Office outputs and sector-wide obligations;
- Monitoring the delivery of outputs and across-Government responsibilities;
- Monitoring the effectiveness of the Office's use of resources, based on budgeting, financial and other reporting mechanisms; and
- Developing and implementing appropriate risk management strategies.

Primary responsibility for the management and strategic leadership of the Office rests with OCPE's Management Board.

MANAGEMENT ENVIROMENT

Organisational Structure

The diagram below shows the high-level management and operational structure of the Office at 30 June 2006.



Management Board

Management Board members as at 30 June were:



John Kirwan,
Commissioner for Public Employment

John Kirwan has been Commissioner for Public Employment for the past three years. John joined the NTPS after spending 10 years as a senior executive public service officer with the Government of Western Australia. Prior to working for the Government, he spent 14 years as a union officer. He has held a range of senior industrial relations and human resource operational and change management roles during his career.



Brian Mappas,
Acting Director Employee Relations

Brian Mappas joined the Office in 1996 following over 10 years experience in employee relations in the Department of Employment, Education and Training. As well as having extensive senior experience in industrial relations and human resource management, Brian holds a Bachelor of Business (majoring in Management) and an Associate Degree in Legal Studies.



Janis Shaw,
Acting Director Strategic Workforce Development

Janis Shaw joined the Office in January 2006. She has a substantial background in public sector management with previous appointments at senior management level at the Northern Territory Department of Health and Community Services, Australian Bureau of Statistics, and Australian Institute of Health and Welfare. Janis holds a Bachelor's degree majoring in psychology and a PhD in epidemiology, both awarded by the Australian National University. She has a research background from earlier in her career in topics related to health education and social psychology.



Lee Berryman,
Director Promotions Appeal and Review

Lee Berryman joined the NTPS in 1996 and was appointed to the position of Director Promotions Appeal and Review in May 1997. Lee's early career comprised 17 years in human resource management and human resource development in the Commonwealth Public Service. Lee is also the Alternate Chairperson of the NTGPASS Investment and Review Board and is a Fellow of the Australian Institute of Company Directors. Lee was honoured as the Northern Territory Rural Woman of the Year for 2004.



Michael Leonard,
Director Corporate Management

Michael Leonard was appointed to the position of Director Corporate Management in December 2004. Prior to his appointment Michael was the Manager Support Services with the former Department Infrastructure, Planning and Environment and was responsible for implementation of the Motor Vehicle Registry eGovernment project. Michael joined the NTPS in 1987 as an administrative trainee and has experience in all aspects of management.



Erika Sauzier,
Senior Consultant Central Australia

Erika Sauzier has been with the Office for the past six years. Erika joined the NTPS in 1985, working her way up from a management cadet to her current position. She has held a range of positions in the personnel/human resources field during her career.



Wendy Ah Chin,
Principal Advisor Indigenous Employment

Wendy Ah Chin has been with the Office for the past four years. Wendy was instrumental in the 2001 review of the NTPS Aboriginal Employment and Career Development Strategy 1995-2000, which formed the foundation for the current NTPS Indigenous Employment and Career Development Strategy 2002-2006. Wendy has a Bachelor of Health Science and a Graduate Certificate in Public Sector Management.

Observers

The Acting Communications Manager attends Management Board as a permanent observer to improve internal communications and advise on developing appropriate external communication strategies. Other staff members may also ask to attend. This forms part of the employees being involved in the management and planning process. Depending on the topic under discussion, other key staff members may be invited to give presentations to Management Board or sit in as an observer.

Role

The Management Board met fortnightly and was committed to ensuring the highest standards of integrity, ethical behaviour, transparency and accountability. Each member was responsible for chairing a meeting on a rotating basis.

The board had a critical role in ensuring effective performance and accountability by:

- Ensuring the Office had clearly established goals and objectives;
- Ensuring strategies for achieving those goals and objectives were appropriate and understood by management and staff;
- Identifying, analysing and mitigating risks to the Office;
- Monitoring quality control systems and where necessary, implemented corrective action to improve the Office systems and performance; and
- Operating as an audit committee for the Office when required.

Management Board decisions were conveyed to staff at regular staff meetings and through internal mail broadcasts. These staff meetings were conducted at whole of Office and business unit levels. The minutes were published on the Office's staff-only intranet page and were accessible to all staff.

RISK MANAGEMENT

The Office has a Strategic Risk Management Plan in place that was developed in consultation with the Risk Management Services Branch of the Department of the Chief Minister. The plan aims to translate the assessments and risks into actions to improve control and mitigate risks. Management Board is responsible for managing risk as it is impractical to have a separately constituted Internal Audit Committee for an Office of this size.

The Office also has a number of internal controls in place such as the Accounting and Property Manual, Financial Delegations and Human Resource Delegations to mitigate risk and ensure openness, transparency and accountability.

COMMUNITY ENGAGEMENT

As a central agency, the Office develops frameworks to support the Government's social and economic policies and seeks the views of employees of the public sector and other stakeholders as part of the development process.

In June 2005, the Office developed its Community Engagement Framework. The OCPE community includes all employees of the NTPS and their representatives. We may also engage with a range of stakeholders in the community, including unions, tertiary institutions, community organisations and Northern Territory businesses and their employees.

OCPE RURAL AND REMOTE LIAISONS

OCPE's Central Australian office consists of a Senior Consultant Central Australia position and the recently established Advisor position. The additional position will allow the Office to continue to have a greater focus on rural and remote workforce issues. The Office has an additional temporary position, a Business Administration STEP apprentice, who is shared with another agency.

The Office actively engages with remote Northern Territory Government employees within all categories of remoteness. The aim is to promote various initiatives and strategies relevant to remote employees, with a strong emphasis on the Remote Workforce Development Strategy (RWDS). All workforce issues raised by remote employees are discussed and followed up or referred to the most appropriate organisation.

IMPROVING

COMMUNICATION ACROSS OCPE

Effective internal communications are important to OCPE. Listed below are some initiatives that enhance communication within the Office.

Business Unit Meetings

Business unit directors held regular staff meetings. This is a forum for staff to be informed of upcoming projects, to report on current projects and to discuss general staffing matters.

Business Unit Meetings with Commissioner

The Commissioner met with business unit staff members quarterly. This provided an opportunity for the Commissioner to engage with staff in an informal environment, discuss achievements and vision for the Office and how each staff member and business unit contributes towards meeting these goals.

Directors Meetings

All business unit directors met on the first Tuesday of every month. This is an informal meeting designed to encourage better cooperation between business units and provides a forum for directors to get together as a management team and discuss issues and ideas that affect day-to-day administration.

Director Meetings with Commissioner

As part of the overall accountability framework for the Office, each of the directors met with the Commissioner monthly. This provided an opportunity to discuss strategic issues affecting the office, progress of the set business unit initiatives, the work units, financial performance and significant staffing issues.

Internet and Intranet

The Office aims to maintain the information contained on its internet and intranet sites, ensuring its web presence provides information and services in an accurate and accessible way.

A full review of the internet and intranet sites will be undertaken in 2006-07. During the first stage will convert the site into the new Northern Territory Government branding and the second stage will capitalise on changes in technology to make the site more dynamic and user friendly.

In Focus eBulletin

An electronic bulletin is circulated to all staff members each week with work or social contributions from staff members. The idea is to centralise such information into a regular bulletin and reduce the number of emails circulating.

Sharing Information

OCPE has a strong corporate commitment to sharing information and management encourages staff members to adopt this collaborative approach to work.

Circulation of Minutes and Reports

The Management Board supports the dissemination of minutes and notes throughout the Office for staff members' information. Management Board minutes are available on the staff-only intranet, ensuring that all staff members are aware of decisions and upcoming events. Coordination Committee Reports are also circulated for staff information.

Boards and Committees

In support of its core business, the Office is represented on a large number of national and Northern Territory boards and committees. A full list is in Appendix, page 100.

IMPROVING COMMUNICATION WITH CLIENTS AND STAKEHOLDERS

NTPS News

For some time now, employees have expressed a need for better communication about their employment conditions and entitlements, and the Office recognises that NTPS employees have a right to be informed and updated. The NTPS News aims to improve communication between employer and employee and to strengthen the way the public sector works. It contains information on current issues and whom to contact for information or to receive the latest news from across the public sector. The newsletter is published on the OCPE website.

New Territory Newsletter

New Territory is a sector-wide newsletter specifically designed for NTG employees living and working in remote areas. This newsletter informs employees of what is happening as various initiatives are implemented. The newsletter is published on the OCPE website.

eCooee Newsletter

eCooee newsletter aims to provide support and information to Indigenous employees in the NTPS, by providing information on a range of training, career development, community events and other issues. The newsletter is published on the OCPE website.

INFORMATION MANAGEMENT

Information technology

Key achievements in information management in 2005-2006 included:

- Completed a full office upgrade to Microsoft Office 2003;
- Upgraded TRIM from Captura to Context;
- Upgraded electronic mail system to Lotus Notes version 6.5;
- Decommissioned the Terminal Server due to the upgrade of the NTG WAN;
- Rolled out ePASS within OCPE;
- Used the newly Web-enabled Mainframe applications; and
- Implemented technologies provided by the new NTG telecommunications contract provider (Telstra), including VPN.

Projects still in progress at the end of 2005-2006 included:

- Redesigning the OCPE internet website to align with new Government branding
- Implementing a staff only notice board database; and
- Moving OCPE TRIM database to a new server environment.

Anticipated significant IT events for 2006-2007 include:

- Changing Desktop and Helpdesk service providers from CSC to Fujitsu;
- Implementing the whole of government Microsoft Enterprise Agreement, which will ensure that NTG agencies are licensed for the latest versions of the Microsoft Office Applications; and
- Managing the expiration of the Mainframe Applications Maintenance and Enhancements Services Contract and the ICT Application Services Contract.

Records Management

Under the Northern Territory *Information Act* (NT) NTPS agencies are required to implement the necessary practices and procedures for managing their records to enable compliance with the Northern Territory Government Records Management Standards.

Adequate records management underpins the access, correction and privacy components of the Act by ensuring that Government information (records) can be located, read and reproduced in response to requests. This Office has reported to the Northern Territory Archives Service (NTAS), in accordance with section 134 of the Act.

Projects still in progress at the conclusion of 2005-2006 include:

- Migrating the OCPE TRIM Context dataset to a new server platform;
- Implementing the OCPE Records Sentencing Project 2006, which includes relocating 1126 boxes (10,324 files) to Pickford's Iron Mountain storage facility for sentencing, storage and destruction; and
- Reviewing the following OCPE policies and statements to ensure ongoing compliance with the NTG Records Management Standards:

* refer to table 1 on following page

Information Act

The Office supports an open and accountable Government by fostering an environment in which information is available to stakeholders and interested members of the community in accordance with the *Information Act* (NT). The Office strives to make information of interest available to any interested party, where such information does not interfere with the essential public interest, individual privacy or the effective operation of the agency.

In most cases, employees seeking access to their own employment related information held by this Office can obtain the information more quickly under the provisions of the *PSEMA* rather than by making an application for access under the *Information Act*.

More information is published on our internet site at: www.nt.gov.au/ocpe/office/information.shtml
In accordance with section 98 of the *Act*, the Office reported to the Information Commissioner on the status of the requests received in 2004-05 as follows:

* refer to table 2 on following page

The Office responded to five information access requests in 2005-06. Of these, all four were requests for information relating to both personal and Government information, and no applications were lodged requesting corrections to personal information held on file. Of the four applications received, two were granted in full and the remainder granted in part. The two complaints made to the Information Commissioner are awaiting a final ruling.

Privacy

The *Information Act* (NT) establishes 10 Information Privacy Principles to govern the collection, use, storage and management of personal information by Northern Territory Government agencies. In accordance with this Act, the Office:

- Respects the privacy of individuals;
- Is committed to collecting, using, storing and managing personal information in a manner that complies with the Information Privacy Principles;
- Undertakes to protect such information from unauthorised access and disclosure and to hold such information for only that period that it is required by the legislation, business needs, or historical or cultural reasons associated with the function for which the information is collected; and
- Will take reasonable steps to correct personal information if appropriate.

One breach of privacy complaint has been lodged with the Information Commissioner this financial year; and is awaiting his decision. ■

table 1

NTG Records Management Standard		OCPE Compliance
Planning and implementing records management	-	Corporate records management plan 2004-05
Identifying and capturing records	-	Records management policy statement
Classifying and titling records	-	Register of thesaurus amendments
Records security and access	-	Records security and access statement
Records disposal	-	Statement of records disposal actions



In 2006-07 Records Management will take part in the NTAS review of Records Security and Access component of the NT Government Records Management Standard.

table 2

	No. of New Requests lodged	Information requests for		Applications		Accepted Applications outstanding at:		Number of		TOTAL
		Personal	Government (including a mix)	Accepted	Not accepted	Start of year	End of year	Internal Reviews	Complaints to Information Commissioner	
2003-2004	10	5	5	6	4 [#]	0	0	0	0	10
2004-2005	6	3	3	6	0	0	1	2	2	6
2005-2006	4	0	4	4	4	1	0	0	2 [*]	4



[#] not accepted due to non-payment of application fee

^{*} Complaints carried over from 2004-05



Part 4

Our People

Workforce Management

INTRODUCTION

The Office is committed to establishing and maintaining a leading edge, strategic approach to human resource management. It endeavours to provide the highest standards of human resource management practices; embraces continuous improvement, lifelong learning and work life balance; and ensures that all employees actively contribute to the development of the Office.

ACHIEVEMENTS IN 2005-2006

- Supported NT Build, to operate autonomously from the Office.
- Commenced operations of the Northern Territory Workplace Advocate in May 2006.
- Celebrated the achievements of a number of employees:
 - Staff successfully completed studies including a Certificate III in Business, Certificate IV in Government, Public Sector Management Program, Master of Business Administration and Associate Degree in Legal Studies; and
 - An apprentice was nominated for the Trainee of the Year Award.
- Piloted the Reaching Your Potential Performance Management Program for employees, as well as implementing a more specific performance management framework for the senior team.
- Reviewed and approved the OCPE Occupational Health and Safety Policy for 2006-2008.
- Collected staff feedback through a satisfaction survey for the second year in a row, to improve the Office's policies and practices.
- Developed a Mobility and Exchange Program, which will be finalised in 2006-2007.

DEMOGRAPHICS

Snapshot at 30 June 2006

	Number	% of Staffing
Full time equivalent	57.3	95
Staff employed	60	100
Regional staff*	4	7
Female staff	44	73
Average age of staff	41	3
Indigenous staff	3	5
Staff identifying as having a disability	4	7
Staff from a non-English speaking background	3	5
Separation – permanent staff	2	3
Separation – permanent and temporary staff	11	18



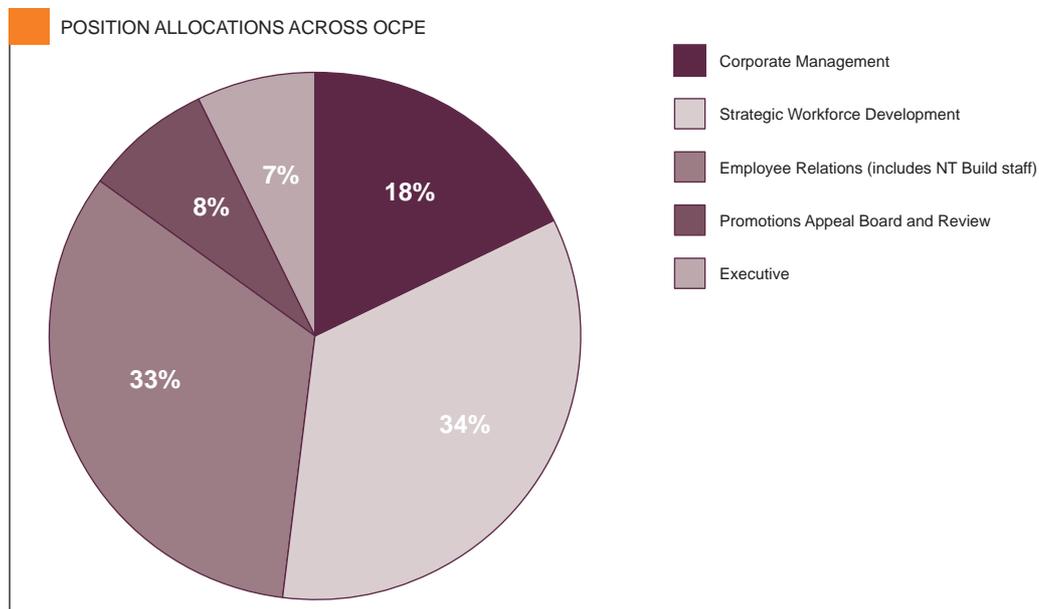
* Refers to permanent staff located in Alice Springs.

Number of Employees - Trend

Business Unit	2002-2003	2003-2004	2004-2005	2005-2006
Corporate Management	8	10	9	11
Strategic Workforce Development	13	17	13	20
Employee Relations	22*	17*	20*	20*
Promotions Appeal Board and Review	4	4	4	5
Executive	4	3	4	4
TOTAL	51	51	50	60

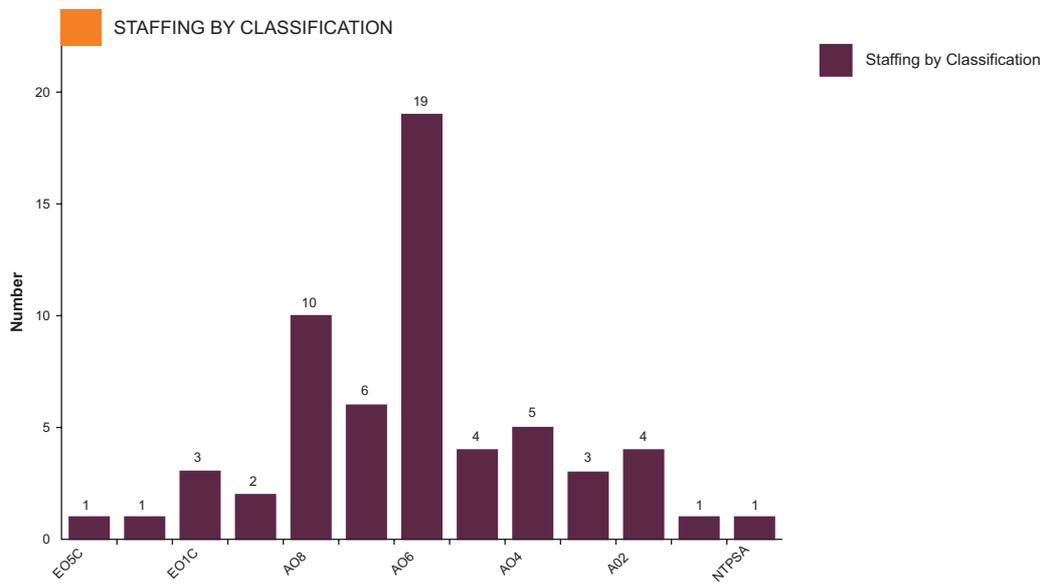
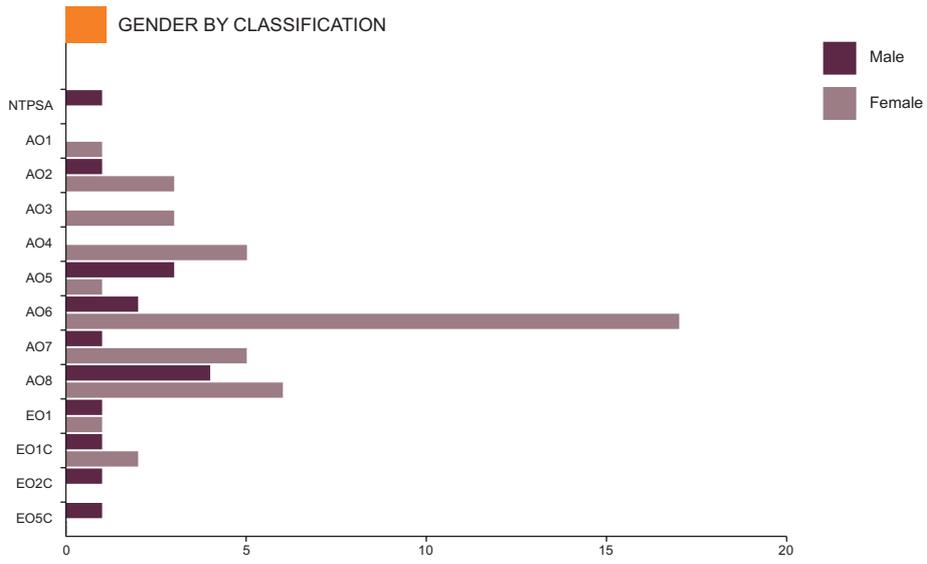


* Includes employees associated with developing and implementing the Portability of Long Service Leave Scheme for the building and construction industry.



Gender by Classification

Classification	Female	Male	Total
EO5C	0	1	1
EO2C	0	1	1
EO1C	2	1	3
EO1	1	1	2
AO8	6	4	10
AO7	5	1	6
AO6	17	2	19
AO5	1	3	4
AO4	5	0	5
AO3	3	0	3
AO2	3	1	4
AO1	1	0	1
NTPSA	0	1	1
TOTAL:	44	16	60



ORGANISATIONAL RESTRUCTURE AND CHANGES

Establishment of NT Build

NT Build was established in 2004-2005 to implement the Portability of Long Service Leave scheme for the building and construction industry. In 2005-2006, NT Build operated autonomously from the Office (with the exception of corporate management support) and at 30 June 2006 four staff were located in NT Build.

Establishment of the Northern Territory Workplace Advocate

The Northern Territory Workplace Advocate was established to provide an information, consultation and advisory service in relation to work matters and to promote fair and productive workplace practices in the Northern Territory. It started operating on 2 May 2006 and recruitment for two positions was undertaken. The Northern Territory Workplace Advocate starts with the Office in July 2006 and the Workplace Education and Advisory Officer in September 2006.

STRATEGIC HUMAN RESOURCE MANAGEMENT

Review/Planning

The Office aims to establish and maintain a leading edge, strategic approach to human resource management that:

- Provides the highest quality services to clients;
- Positively embraces continuous change, and lifelong learning; and
- Ensures that all staff have a quality work life balance and are actively contributing to the development of the Office.

The Strategic Human Resource Management Plan 2004-2006 outlines a future vision and identifies strategies for the short, medium and long term. This plan will be reviewed in 2006-2007.

Recruitment

OCPE spent \$32,786 on recruitment advertising in 2005-2006.

OCPE Indigenous Employment and Career Development Strategy 2002-2006

The Office has maintained its commitment to increasing the number of Indigenous people employed in the NTPS. It participated in the National Indigenous Cadetship Program, the Indigenous School to Work Program and facilitated a number of secondments and temporary transfers into the Office in 2005-2006.

Equity and Diversity

The Office implemented a number of equal opportunity initiatives and strategies in 2005-2006.

Diversity Analysis for EEO Census Day

The Office held an Equal Employment Opportunity (EEO) Census Day to update staff details in myHR. As at 30 June 2006, OCPE statistics reflected the following percentages of overall staff numbers:

EEO Trend

	June 2004	%	June 2005	%	June 2006	%
Female staff	35	68	36	73	44	73
Aboriginal / Torres Strait Islander	3	6	6*	12	3	5
Non-English speaking background, came to Australia after age five	1	2	3	5.5	3	5
Disability	2	4	4	9	4	7



* Includes two cadets completing the National Indigenous Cadetship Program.

Willing and Able Strategy

The Office is committed to employing people with disabilities. The HR Officer participated on the Willing and Able Strategy Implementation Team with key agency HR representatives. An EEO Census day was conducted to update and improve on EEO reporting statistics for the Office.

The Office recognises that employees with disabilities may have special requirements and incorporates flexible practices in its recruitment and workplace arrangements to ensure equity and diversity in the workforce. It has continued to work with Disability Works Australia and Project Employment.

Flexible Working Practices and Work Life Balance

The Office strongly promotes work life balance as part of its corporate culture and has supported a number of family friendly and flexible arrangements to help achieve this balance. Flexible arrangements have included supporting staff who requested a move from full time to part time work, and investigating possible job share options. Support has also been provided to staff who have pursued opportunities to develop their skills in private or Australian Government employment.

LEARNING AND DEVELOPMENT

Induction

A total of 20 new employees received an induction. The induction covered all aspects of employment conditions and Office policies and procedures.

Employment Programs

The Office provided two graduates with permanent positions in 2004-2005. It did not have the capacity to employ a graduate in 2005-2006.

OCPE participated in the National Indigenous Cadetship Program (NICP) in 2005-2006, with two female cadets completing the program with the Office in 2005-2006.

The Office employed three adult apprentices in 2005-2006, with one graduating early in 2006 and securing a permanent placement in the Office.

Training

A total of \$82,944.87 was spent on training (\$78,374.07) and study assistance(\$4,570.80). The Office supported a number of employees to attend training and professional development activities, including attendance at conferences and workshops to help staff keep abreast of contemporary human resources and workforce development issues.

Training activities focused on:

- Procurement;
- Strategic and contemporary human resources; and
- IT and technical skills.

In partnership with the Charles Darwin University, the Office coordinated the NTPS-wide Certificate IV in Government Pilot Program. The Office also supported three staff to take part in the program. One staff member has graduated and another is expected to graduate in late 2006.

Study Assistance

Employees are encouraged and supported to apply for study assistance. Study assistance may include financial support through reimbursement of fees, study expenses, and time off from work to attend lectures and exams.

In 2005-2006 staff members undertook study in the following fields:

- Certificate III in Business;
- Certificate IV in Government Pilot Program;
- Doctor of Philosophy (Thesis: Why are Women and Men Paid Differently?);
- Bachelor of Behavioural Science;
- Bachelor of Psychology;
- Bachelor of Social Science;
- Graduate Certificate in Public Governance;
- Master of Business Administration;
- Master of Public Governance; and
- Public Sector Management Program

A number of employees who were supported in their studies completed courses in:

- Certificate IV in Government;
- Public Sector Management Program;
- Master of Business Administration;
- Associate Degree in Legal Studies

An apprentice successfully completed a Certificate III in Business and was permanently appointed in the Office. In recognition of his achievements, he was nominated for the Trainee of the Year Award.

PERFORMANCE MANAGEMENT

Performance Enhancement and Development

Performance reviews were informally conducted and on occasion were initiated by individuals to identify future training, development and study needs. The Office continues to facilitate development opportunities through higher duties and placements in other business units or agencies to broaden employees' experience.

The Office piloted the "Reaching Your Potential" Performance Management Program for employees, as well as implementing a more specific performance management framework for its senior team, which included assessment against executive capabilities and 360 degree feedback. These programs were evaluated and participation in the program is a priority for all staff and management in 2006-2007.

Reviews and Inability/Discipline Appeals

The following table indicates the number of reviews the Office has had during the period compared with previous years.

Type	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Reviews	0	1*	0	0	1**
Sexual harassment or bullying	0	0	0	0	1#
Promotion appeals	0	0	0	0	0
Discipline and inability	0	1	0	0	0



* Grievance lodged against the Office but the person with the grievance was not an Office employee.

** Grievance lodged by NT Build staff.

Bullying complaint received, but no formal grievance lodged. The complaint was formally managed and resolved internally.

OCCUPATIONAL HEALTH AND SAFETY

Introduction

In 2005-2006 the Office's Occupational Health and Safety (OHS) Committee coordinated a full OHS audit and implemented all recommendations. The Committee, which met every three months, publishes a bi-monthly Handy Hint to staff via email as well as coordinating Well Mind, Well Body, Well Workplace (Well, Well, Well) activities. In 2005-2006, the Well, Well, Well activities were the Seven Habits of Fit and Healthy People and a Corporate Massage.

The Office actively supports and encourages participation in wellbeing programs and social sporting events. In 2005-2006 OCPE participated in the corporate soccer and corporate run/walk, both run by Life Be In It.

A total of 22 staff members were vaccinated against influenza. Partners were also invited to participate and three accepted.

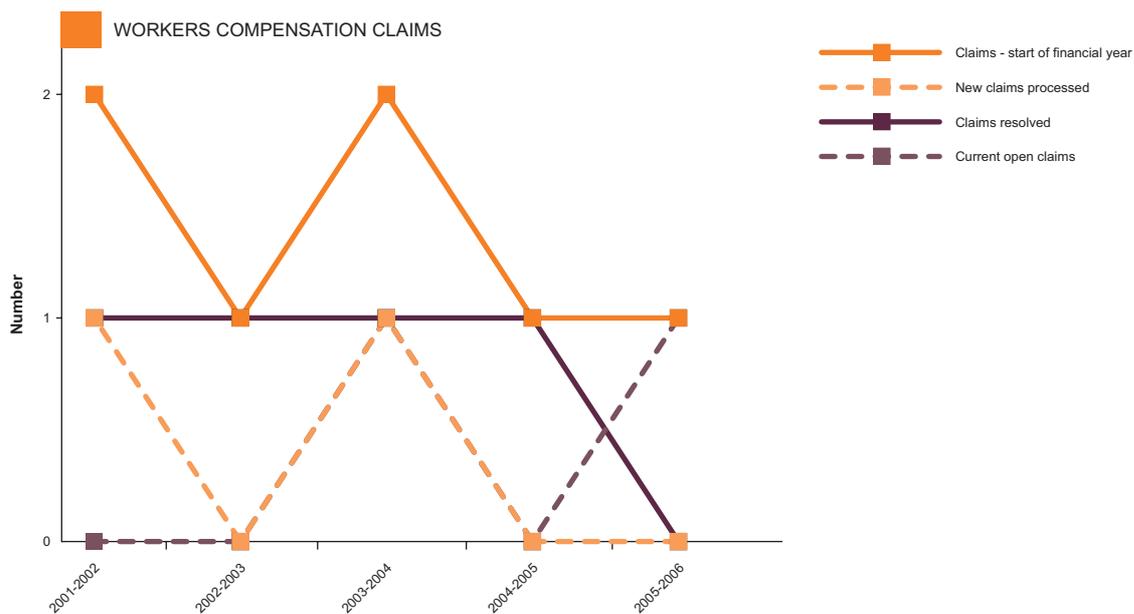
The Chief Fire Warden for Harbour View Plaza is an OCPE employee who coordinated two fire drills for the whole building in 2005-2006 and in April 2006 coordinated fire warden update training with DCIS for all new wardens in the building. Further intensive training for Chief and Deputy Fire Wardens is planned.

Workers Compensation Claims

The following table shows the number of workers compensation claims and associated costs:

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Number of claims at the beginning of the financial year	2	1	2	1	1
Number of new claims processed	1	0	1	0	0
Number of claims resolved	0	0	1	0	1
Number of staff with current open claims	1	1	1	1	0
Number of staff currently in receipt of WC payments	0	0	0	0	0
Total Cost	\$9,758	\$17,095	\$1,147	\$2,199	\$9,461

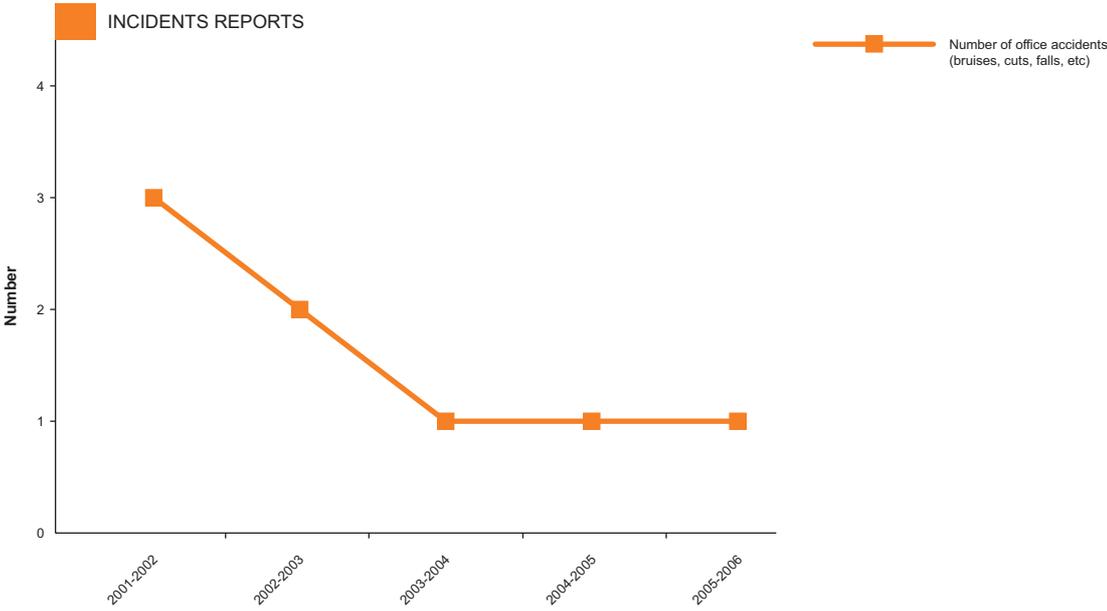
There has been significant decrease in 2003-2004 and 2004-2005, as the claims involving compensation on full pay have ceased.



Incident Reports

There was one accident/incident reported by an employee with no treatment and the hazard was subsequently rectified.

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Number of office accidents (bruises, cuts, falls, etc)	3	2	1	1	1



FUTURE PRIORITIES

- The HR Strategic Plan will be reviewed and updated.
- The Office's Equity and Diversity in Employment Policy will be reviewed and updated in 2006-07.
- Training priorities include industrial relations negotiation skills and management development. The changing demands of the community mean that a future challenge for the Office will be how it delivers its services and programs, and how stakeholders will access them. Collaboration and engagement with key stakeholders will help the Office develop strategies to support NTPS agencies to implement policies and programs. ■



Part 5

Financial Reporting

Financial Statement Overview

For the Year Ended 30 June 2006

The 2005-2006 financial statements for the Office of the Commissioner for Public Employment (OCPE) have been prepared on an accrual basis and provide information in respect of the financial performance, position and cash flow of the agency for the year.

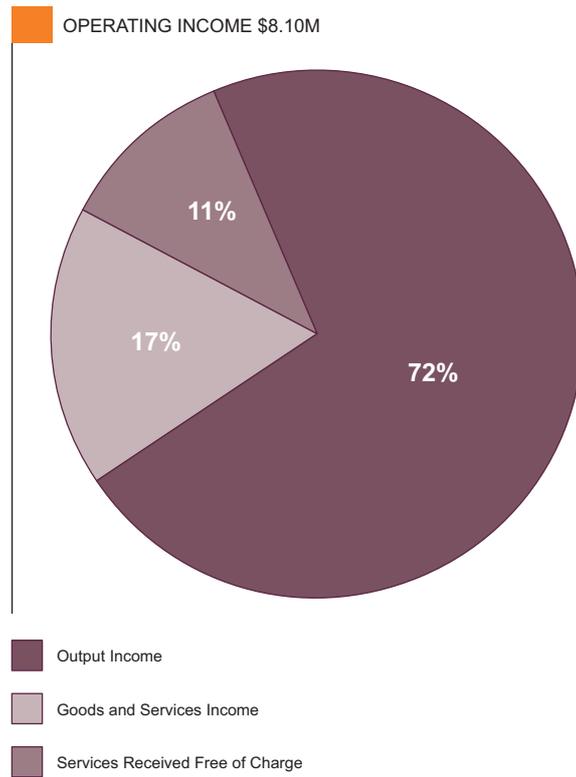
Operating Statement Summary

Financial Performance	2005-2006 Actuals \$'000	2004-2005 Actuals \$'000	Variance \$'000	Variance %
Income	8 104	8 281	(177)	(2.1) %
Expenses	7 755	8 590	(835)	(9.7) %
Surplus/(Deficit)	349	(309)	(658)	(212.9) %

The operating result for 2005-2006 was largely attributed to delays in the commencement of several Executive and Leadership Development Programs.

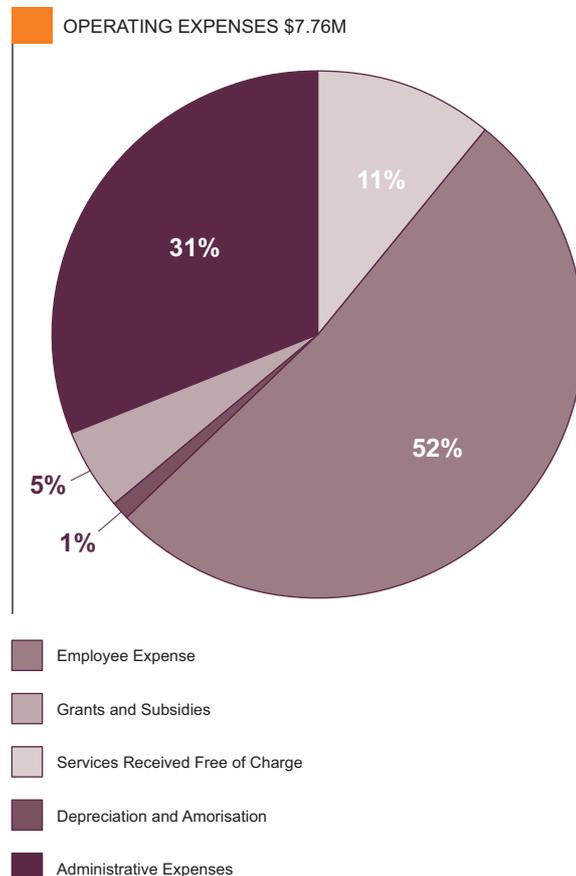
Operating Income

Total Operating Income for the year was \$8.10 million, of which Output Revenue of \$5.83 million was the single largest component. The balance of \$2.27 million comprised of \$1.38 million in departmental revenue largely relating to goods and services charges for delivery of development programs, and a notional income amount of \$0.89 million for services received free of charge from the Department of Corporate and Information Services. Operating income is represented graphically:



Operating Expenses

Operating expenses for 2005-2006 were \$7.76 million. This comprised of employee expenses of \$4.03 million, grant funding of \$0.41 million and other administrative expenses of \$3.32 million, including \$0.89 million notionally for services received free of charge and depreciation expense of \$60 000. Operating Expenses are presented graphically:



Balance Sheet Summary

Financial Position	2005-2006 Actuals \$'000	2004-2005 Actuals \$'000	Variance \$'000	Variance %
Total Assets	102	1 352	(1 250)	(92.5) %
Total Liabilities	991	1 735	(744)	(42.9) %
Net Assets	(889)	(383)	(506)	132.1 %

An overdraft of \$0.20 million in cash and deposits was recorded by OCPE at 30 June 2006. This balance was offset by accounts receivable, GST receivable and prepayments totalling \$0.15 million. Property plant and equipment increased by \$47 000 largely due to building improvements undertaken and completed during 2005-2006.

Liabilities have decreased during the year by \$0.74 million mainly due to combined a decrease of accounts payable and unearned revenue of \$0.77 million and a slight increase in employee entitlements and related provisions of \$26 000.

The net equity of OCPE decreased further by \$0.51 million during 2005-2006. This is a result of the net operating surplus of \$0.35 million, net equity injections and withdrawals totalling \$0.56 million, and a non-cash equity transfer of \$0.30 million to NT Build for the fit out and establishment of their office.

Cash flow Statement Summary

Cash Flows	2005-2006 Actuals \$'000	2004-2005 Actuals \$'000	Variance \$'000	Variance %
Cash at beginning of Reporting Period	1 158	1 371	(213)	(15.5)
Receipts	7 134	7 491	(357)	(4.8)
Payments	7 505	7 177	328	4.6
Purchases of Assets	-	27	(27)	-
Capital Appropriations	-	250	(250)	-
Equity Withdrawals	985	749	236	31.5
Cash at End of Reporting Period	(198)	1 158	(1 356)	(117.1)

Cash at the end of the reporting period was (\$198 000). This was a combination of delays in receipting goods and services income for several development programs, payment of accrued expenses from prior years, and cash equity withdrawals.

CERTIFICATION OF THE FINANCIAL STATEMENTS

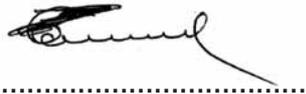
We certify that the attached financial statements for the Office of the Commissioner for Public Employment have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to and forming part of the financial statements, presents fairly the financial performance for the year ended 30 June 2006 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.



.....
Ken Simpson
Commissioner for Public Employment
31 August 2006



.....
Michael Leonard
Director Corporate Management
31 August 2006

INCOME

Output Revenue		5830	6531
Sales of Goods and Services		1364	864
Goods and Services Received Free of Charge	4	891	805
Other Income		18	80
TOTAL INCOME	3	<u>8104</u>	<u>8281</u>

EXPENSES

Employee Expenses		4033	3783
Administrative Expenses			
Purchases of Goods and Services	5	2332	3353
Repairs and Maintenance		7	10
Depreciation and Amortisation	8	56	26
Other Administrative Expenses		917	805
Grants and Subsidies Expenses			
Current		410	613
TOTAL EXPENSES	3	<u>7755</u>	<u>8590</u>
NET SURPLUS/(DEFICIT)	12	<u>349</u>	<u>(309)</u>



The Operating Statement is to be read in conjunction with the notes to the financial statements.

ASSETS

Current Assets			
Cash and Deposits	6	(198)	1158
Receivables	7	87	86
Prepayments		58	
Total Current Assets		<u>(53)</u>	<u>1244</u>
Non-Current Assets			
Property, Plant and Equipment	8	155	108
Total Non-Current Assets		<u>155</u>	<u>108</u>
TOTAL ASSETS		<u>102</u>	<u>1352</u>

LIABILITIES

Current Liabilities			
Payables	9	339	856
Provisions	10	500	597
Other Liabilities	11	29	282
Total Current Liabilities		<u>868</u>	<u>1735</u>
Non-Current Liabilities			
Provisions	10	123	
Total Non-Current Liabilities		<u>123</u>	<u></u>
TOTAL LIABILITIES		<u>991</u>	<u>1735</u>
NET ASSETS		<u>(889)</u>	<u>(382)</u>

EQUITY

	12		
Capital		(283)	574
Accumulated Funds		(606)	(956)
TOTAL EQUITY		<u>(889)</u>	<u>(382)</u>



The Balance Sheet is to be read in conjunction with the notes to the financial statements.

BALANCE OF EQUITY AT 1 JULY	20	<u>(382)</u>	<u>426</u>
Capital	12		
Balance at 1 July		<u>573</u>	<u>1072</u>
Equity Injections		426	250
Equity Withdrawals		<u>(1282)</u>	<u>(749)</u>
Balance at 30 June		<u>(283)</u>	<u>573</u>
Accumulated Funds	12		
Balance at 1 July		<u>(956)</u>	<u>(647)</u>
Net Adjustment on Transition to IFRS		0	NA
Surplus/(Deficit) for the Period		<u>349</u>	<u>(309)</u>
Balance at 30 June		<u>(606)</u>	<u>(956)</u>
BALANCE OF EQUITY AT 30 JUNE		<u>(889)</u>	<u>(382)</u>
Total Income and Expense Recognised Directly to Equity		<u>0</u>	<u>0</u>



This Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

	NOTE	2006 (Outflows) / Inflows \$'000	2005 (Outflows) / Inflows \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts			
Output Revenue Received		5830	6531
Receipts From Sales of Goods And Services		1304	960
Total Operating Receipts		7134	7491
Operating Payments			
Payments to Employees		(4049)	(3675)
Payments for Goods and Services		(3046)	(2889)
Grants and Subsidies Paid			
Current		(410)	(613)
Total Operating Payments		(7505)	(7177)
Net Cash From/(Used In) Operating Activities	13	(371)	313
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Payments			
Purchases of Assets	8		(27)
Total Investing Payments			(27)
Net Cash From/(Used In) Investing Activities			(27)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Capital Appropriation			250
Total Financing Receipts	12		250
Financing Payments			
Equity Withdrawals	12	(985)	(749)
Total Financing Payments		(985)	(749)
Net Cash From/(Used In) Financing Activities		(985)	(499)
Net Increase/(Decrease) in Cash Held		(1356)	(213)
Cash at Beginning of Financial Year		1158	1371
CASH AT END OF FINANCIAL YEAR	6	(198)	1158



The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

Index of notes to the Financial Statements

1. Objectives and Funding
2. Statement of Significant Accounting Policies
3. Operating Statement by Output Group

INCOME

4. Goods and Services Received Free of Charge

EXPENSES

5. Purchases of Goods and Services

ASSETS

6. Cash and Deposits
7. Receivables
8. Property, Plant and Equipment

LIABILITIES

9. Payables
10. Provisions
11. Other Liabilities

EQUITY

12. Equity

OTHER DISCLOSURES

13. Notes to the Cash Flow Statement
14. Financial Instruments
15. Commitments
16. Contingent Liabilities and Contingent Assets
17. Events Subsequent to Balance Date
18. Write-offs, Postponements and Waivers
19. Schedule of Territory Items
20. Impact of Adopting Australian Equivalents to International Financial Reporting Standards (IFRS)

1. OBJECTIVES AND FUNDING

The Office of the Commissioner for Public Employment's mission is to lead and coordinate the development of a skilled committed and strategically aligned workforce to achieve quality innovative Government services for the Northern Territory community.

This will be achieved through:

- Collaborating with Northern Territory Public Sector Chief Executive Officers and Human Resource Managers to build a creative and innovative workforce, skilled to meet the needs of the future
- Taking a leadership role in the identification of strategic shifts, trend and contemporary public sector workforce practice
- Coordinating across agencies to ensure an integrated whole of Government approach

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

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

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

- (i) a Certification of the Financial Statements;
- (ii) an Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

The form of Agency financial statements is consistent with the accrual budget format and the requirements of Australian Accounting Standards, including AASB 101, AASB 107 and AAS 29. The format also requires additional disclosures specific to Territory Government entities.

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.

This is the Office of the Commissioner for Public Employment's first financial report prepared following the adoption of Australian equivalents to International Financial Reporting Standards (IFRS). The adoption of Australian equivalents to IFRS has resulted in minor adjustments to the Agency's financial statements. Further information in relation to the Agency's adoption of Australian equivalents to IFRS may be found in note 20 – Impact of Adopting Australian Equivalents to IFRS.

(b) Agency and Territory Items

The financial statements of the Office of the Commissioner for Public Employment's include income, expenses, assets, liabilities and equity over which the Office 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 below.

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 19 - Schedule of Territory Items.

(c) Comparatives

Where necessary, comparative information for the 2004-05 financial year has been reclassified to provide consistency with current year disclosures.

In accordance with AASB 1: First Time Adoption of Australian Equivalents to IFRS, comparative information, with the exception of that relating to financial instruments, has been adjusted for the adoption of Australian equivalents to IFRS. Where changes to financial instruments are required as a result of the adoption of Australian equivalents to IFRS, any adjustments will occur as at 1 July 2005 (the 2005-06 financial year).

(d) 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.

(e) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year. Any changes to accounting policies that have been required as a result of the adoption of Australian equivalents to IFRS are not accounting policy changes for the purposes of AASB 108: Accounting Policies, Changes in Estimates and Errors. Note 20 provides information in relation to changes in accounting policies required following the adoption of Australian equivalents to IFRS.

(f) 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 Tax 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.

(g) Income Recognition

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

Output Revenue

Output revenue represents Government funding for Agency operations and is calculated as the net cost of Agency outputs after taking into account funding from Agency income. The net cost of Agency outputs for Output Appropriation purposes does not include any allowance for major non-cash costs such as depreciation.

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

Grants and Other Contributions

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

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

Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer and specified conditions associated with the sale have been satisfied.

Rendering of Services

Revenue from rendering services is recognised on a stage of completion basis.

Interest Revenue

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

Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the Agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

(h) Repairs and Maintenance Expenses

Funding is received for repairs and maintenance works associated with Agency assets as part of Output Revenue. Costs associated with repairs and maintenance works on Agency assets are expensed as incurred.

(i) Interest Expenses

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

(j) Cash and Deposits

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.

(k) Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for uncollectible amounts. The collectibility of receivables is reviewed regularly, and part of this process is to assess, at reporting date, whether an allowance for doubtful debts is required.

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

(I) Property, Plant and Equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5,000 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 *Working for Outcomes*, the Department of Planning and Infrastructure 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 Planning and Infrastructure 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

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; and
- Intangibles.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms length transaction. Other classes of non-current assets are not subject to revaluation and are measured at cost.

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

Depreciation and Amortisation

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

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

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

	2006	2005
Buildings	n/a Years	n/a Years
Infrastructure Assets	n/a Years	n/a Years
Plant and Equipment	5 Years	5 Years
Leased Plant and Equipment	n/a Years	n/a Years
Heritage and Cultural Assets	n/a Years	n/a Years
Biological Assets	n/a Years	n/a Years
Intangibles	n/a Years	n/a Years



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

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. 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 depreciated 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 Operating Statement 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 Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

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 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 Reserve.

(m) 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 leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

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

Operating Leases

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

(n) Payables

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.

(o) 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 and 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, sick leave and other leave entitlements; and
- other types of employee benefits.

As part of the introduction of *Working for Outcomes*, the Central Holding Authority assumed the long service leave liabilities of Government Agencies, including the Office of the Commissioner for Public Employment and as such no long service leave liability is recognised in Agency financial statements.

(p) Superannuation

- NT Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); or
- 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.

(q) 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* 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 and note 12 provide additional information in relation to contributions by, and distributions to, Government.

(r) Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at note 15 and are consistent with the requirements contained in AASB 101, AASB 117 and AAS 29.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

3. OPERATING STATEMENT BY OUTPUT GROUP

	Note	Employment Framework		Workforce Development		Government Policy Advice		Total	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
INCOME									
Output Revenue		1347	2664	2739	2992	1745	875	5830	6531
Sales of Goods and Services		38	13	850	850	476	1	1364	864
Goods and Services Received Free of Charge	4	206	328	419	369	266	108	891	805
Other Income		9	15	5	56	4	9	18	80
TOTAL INCOME		1600	3020	4013	4267	2491	993	8104	8281
EXPENSES									
Employee Expenses		1149	1658	1649	1559	1235	566	4033	3783
Administrative Expenses									
Purchases of Goods and Services	5	374	1060	1232	1889	726	404	2332	3353
Repairs and Maintenance		2	5	2	4	3	1	7	10
Depreciation and Amortisation	8	18	12	19	10	19	4	56	26
Other Administrative Expenses		215	328	427	369	275	108	917	805
Grants and Subsidies Expenses									
Current		33	74	312	502	65	37	410	613
TOTAL EXPENSES		1791	3137	3641	4333	2323	1120	7755	8590
NET SURPLUS/(DEFICIT)	12	(191)	(117)	372	(66)	168	(127)	349	(309)



This Operating Statement by Output Group is to be read in conjunction with the notes to the financial statements.

	2006	2005
	\$'000	\$'000

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

Corporate and Information Services	891	805
	<u>891</u>	<u>805</u>

5. PURCHASES OF GOODS AND SERVICES

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

Goods and Services Expenses:

Consultants ⁽¹⁾	658	1126
Advertising ⁽²⁾	10	7
Marketing and Promotion ⁽³⁾	34	85
Document Production	87	143
Legal Expenses ⁽⁴⁾	18	12
Recruitment ⁽⁵⁾	63	14
Training and Study	193	434
Official Duty Fares	117	79
Travelling Allowance	3	19

(1) Includes marketing, promotion and IT consultants.

(2) Does not include recruitment advertising or marketing and promotion advertising.

(3) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

(4) Includes legal fees, claim and settlement costs.

(5) Includes recruitment related advertising costs.

6. CASH AND DEPOSITS

Cash on Hand	1	1
Cash at Bank	<u>(199)</u>	<u>1157</u>
	<u>(198)</u>	<u>1158</u>

7. RECEIVABLES

Current

Accounts Receivable	60	43
GST Receivables	<u>27</u>	<u>43</u>
Total Receivables	<u>87</u>	<u>86</u>

8. PROPERTY, PLANT AND EQUIPMENT

	2006 \$'000	2005 \$'000
Buildings		
At Fair Value	106	0
Less: Accumulated Depreciation	(22)	(0)
	84	0
Plant and Equipment		
At Cost	137	146
Less: Accumulated Depreciation	(66)	(38)
	71	108
Total Property, Plant and Equipment	155	108

Property, Plant and Equipment Valuations

No revaluations were undertaken during the financial year

Impairment of Property, Plant and Equipment

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2006.

No impairment adjustments were required as a result of this review.

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2005-06 is set out below:

	Buildings \$'000	Plant & Equipment \$'000	Total \$'000
Carrying Amount as at 1 July 2005	0	108	108
Additions	106		106
Disposals			
Depreciation and Amortisation	(22)	(33)	(56)
Additions/ (Disposals) from Assets Transfers		(4)	(4)
Carrying Amount as at 30 June 2006	84	71	155

8. PROPERTY, PLANT AND EQUIPMENT (continued)

Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2004-05 is set out below:

	Buildings \$'000	Plant & Equipment \$'000	Total \$'000
Carrying Amount as at 1 July 2004	69	37	106
Additions		27	27
Depreciation and Amortisation		(25)	(25)
Additions/(Disposals) from Asset Transfers	(69)	69	0
Carrying Amount as at 30 June 2005	0	108	108

9. PAYABLES

	2006 \$'000	2005 \$'000
Accounts Payable	157	68
Accrued Expenses	182	788
	339	856

10. PROVISIONS

Current

Employee Benefits		
Recreation Leave and Airfares	401	475
Leave Loading	54	68
Other Current Provisions		
Fringe Benefits Tax		
Payroll Tax	41	49
Employer Superannuation Contribution	4	5
	500	597
Non-Current		
Employee Benefits		
Recreation Leave	123	
	123	
Total Provisions	623	597

	2006	2005
	\$'000	\$'000
11. OTHER LIABILITIES		
Current		
Unearned Income	<u>29</u>	<u>282</u>
	29	282

12. EQUITY

Equity represents the net deficiency in the Office of the Commissioner for Public Employment's liabilities over net assets. This deficiency in liabilities over assets is recorded in the Central Holding Authority as described in note 2(b).

Capital

Balance as at 1 July	573	1072
Equity Injections		
Capital Appropriation		250
Equity Transfers In	426	
Equity Withdrawals		
Equity Transfers Out	<u>(1282)</u>	<u>(749)</u>
Balance as at 30 June	<u>(283)</u>	<u>573</u>

Accumulated Funds

Balance as at 1 July	(956)	(647)
Surplus /(Deficit) for the Period	349	(309)
Net Adjustment on Transition to IFRS	<u>0</u>	<u>NA</u>
Balance as at 30 June	<u>(606)</u>	<u>(956)</u>

13. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Cash

The total of Agency Cash and Deposits of (\$198,000) recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.

Reconciliation of Net Surplus/(Deficit) to Net Cash From Operating Activities

	2006	2005
	\$'000	\$'000
Net Surplus/(Deficit)	349	(309)
Non-Cash Items:		
Depreciation and Amortisation	56	26
Asset Donations/Gifts	26	
(Gain)/Loss from Asset Transfers	4	
Other Administrative Expenditure (non-cash)	44	
Changes in Assets and Liabilities:		
Decrease/(Increase) in Receivables	(1)	(17)
Decrease/(Increase) in Inventories	0	0
Decrease/(Increase) in Prepayments	(58)	2
Decrease/(Increase) in Other Assets	(47)	0
(Decrease)/Increase in Payables	(517)	492
(Decrease)/Increase in Provision for Employee Benefits	35	64
(Decrease)/Increase in Other Provisions	(9)	30
(Decrease)/Increase in Other Liabilities	(253)	25
Net Cash From Operating Activities	(371)	313

14. 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 instruments held by the Office of the Commissioner for Public Employment include cash and deposits, receivables, payables and finance leases. The Office of the Commissioner for Public Employment has limited exposure to financial risks as discussed below.

(a) 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.

(b) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values with the exception of borrowings from NT Treasury Corporation.

(c) Interest Rate Risk

The Office of the Commissioner for Public Employment's exposure to interest rate risk and the average interest rate for classes of financial assets and financial liabilities is set out in the following tables. The average interest rate is based on the outstanding balance at the start of the year.

14. FINANCIAL INSTRUMENTS (continued)

	Weighted Average interest rate %	Fixed Interest Maturity				Non- Interest Bearing \$'000	Total \$'000
		Variable Interest \$'000	Under 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000		
2006 Financial Assets							
Cash and Deposits						(198)	(198)
Receivables						87	87
Prepayments						58	58
Total Financial Assets:						(53)	(53)
Financial Liabilities							
Payables						339	339
Total Financial Liabilities:						339	339
Net Financial Assets/(Liabilities):						(392)	(392)

	Weighted Average interest rate %	Variable Interest \$'000	Under 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Non- Interest Bearing \$'000	Total \$'000
Cash and Deposits						1158	1158
Receivables						86	86
Total Financial Assets:						1245	1245
Financial Liabilities							
Payables						856	856
Total Financial Liabilities:						856	856
Net Financial Assets/ (Liabilities):						1076	1076

15. COMMITMENTS

Operating Lease Commitments

The Agency leases property under non-cancellable operating leases expiring from nil to 3 years. Leases generally provide the Agency with a right of renewal at which time all lease terms are renegotiated.

	2006 \$'000	2005 \$'000
Within one year	21	21
Later than one year and not later than five years	39	57
Later than five years	0	0
	<u>60</u>	<u>78</u>

16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Contingent liabilities

The Office of the Commissioner for Public Employment maintains a register of Contingent Liabilities. Information is received, updated annually and reported to NT Treasury for the inclusion for the whole of government financial report if applicable. The contingent liabilities are not reported in the Agency's financial statements as they are not quantifiable.

b) Contingent assets

The Office of the Commissioner for Public Employment did not have any contingent assets as at 30 June 2006 or 30 June 2005.

17. 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.

18. WRITE-OFFS, POSTPONEMENTS AND WAIVERS

The Office of the Commissioner for Public Employment had no write offs, postponements or waivers in 2005-06 and 2004-05.

19. SCHEDULE OF TERRITORY ITEMS

The Office of the Commissioner for Public Employment did not manage any Territory items on behalf of the Government in 2005-06 and 2004-05. Territory items are recorded in the Central Holding Authority (refer note 2 (b)).

20. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

As discussed at note 2(b), this is the first financial report prepared following the adoption of Australian equivalents to International Financial Reporting Standards (IFRS). The transition to IFRS has only resulted in minor adjustments to the Agency's financial position as discussed in greater detail below. The Agency's financial performance and cash flows were not impacted. In accordance with AASB 1, the Agency was required to separately adjust 1 July 2004 opening balances and 2004-05 comparative financial information as summarised below.

	Impact Summary	Pre-IFRS \$'000	Impact \$'000	IFRS \$'000
1 July 2004	Equity	426	0	426
30 June 2005	Surplus/(Deficit)	(309)	0	(309)
30 June 2005	Equity	(382)	0	(382)

Specific adjustments were made as follows:

- Agency employee benefit liabilities that are not expected to be paid within 12 months are now required to be recognised as non-current liabilities and measured at present value. As a result of this change, \$119,000 of recreation leave liabilities were reclassified from current to non-current as at 1 July 2004 (with an additional \$15,000 reclassified as at 30 June 2005).

20. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (continued)

Reconciliation of Agency Balance Sheet – as at 1 July 2004:

	Pre-IFRS 1 July 2004 \$'000	Impact of IFRS \$'000	IFRS 1 July 2004 \$'000
ASSETS			
Current Assets			
Cash and Deposits	1,371	0	1,371
Receivables	69	0	69
Prepayments	2	0	2
Total Current Assets	1442	0	1442
Non-Current Assets			
Property, Plant and Equipment	107	0	107
Total Non-Current Assets	107	0	107
TOTAL ASSETS	1549	0	1549
LIABILITIES			
Current Liabilities			
Payables	364	0	364
Provisions	502	(119)	383
Other Liabilities	257	0	257
Total Current Liabilities	1123	(119)	1004
Non-Current Liabilities			
Provisions	0	119	119
Total Non-Current Liabilities	0	119	119
TOTAL LIABILITIES	1123	0	1123
NET ASSETS	426	0	426
EQUITY			
Capital	1073	0	1073
Accumulated Funds	(647)	0	(647)
TOTAL EQUITY	426	0	426

20. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) (continued)

Reconciliation of Agency Balance Sheet – as at 30 June 2005:

	Pre-IFRS 30 June 2005 \$'000	Impact of IFRS \$'000	IFRS 30 June 2005 \$'000
ASSETS			
Current Assets			
Cash and Deposits	1158	0	1158
Receivables	86	0	86
Total Current Assets	1245	0	1245
Non-Current Assets			
Property, Plant and Equipment	108	0	108
Total Non-Current Assets	108	0	108
TOTAL ASSETS	1352	0	1352
LIABILITIES			
Current Liabilities			
Payables	856	0	856
Provisions	597	(134)	463
Other Liabilities	282		282
Total Current Liabilities	1735	(134)	1601
Non-Current Liabilities			
Provisions		134	134
Total Non-Current Liabilities	0	134	134
TOTAL LIABILITIES	1735	0	1735
NET ASSETS	(382)	0	(382)
EQUITY			
Capital	573	0	573
Accumulated Funds	(956)	0	(956)
TOTAL EQUITY	(382)	0	(382)



Part 6

Appendices

Acronyms

CPSU	Community and Public Sector Union
CM	Corporate Management
EBA	Enterprise Bargaining Agreement
EDP	Executive Development Program
ER	Employee Relations
IECDS	Indigenous Employment and Career Development Strategy 2002-2006
IEF	Indigenous Employment Forum
IPAA	Institute of Public Administration Australia
Kigaruk	Kigaruk Indigenous Men's Leadership Development Program
LDP	Leadership Development Program
Lookrukin	Lookrukin Indigenous Women's Leadership Development Program
NTG	Northern Territory Government
NTGPASS	Northern Territory Government and Public Authorities Superannuation Scheme
NTPS	Northern Territory Public Sector
Unions NT	Northern Territory Trades and Labor Council Inc.
OCPE	Office of the Commissioner for Public Employment
PAB & R	Promotions Appeal Board and Review
PSCC	Public Sector Consultative Council
PSEMA	Public Sector Employee Management Act
PSETA	Public Service Education & Training Australia
PSMP	Public Sector Management Program
Regional Coord	Regional Coordination Committee
RWDS	Remote Workforce Development Strategy
SWD	Strategic Workforce Development
Willing and Able	Willing and Able – A strategy for the employment of people with disabilities in the NTPS 2003-2006

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Appendix 1

Boards and committees on which OCPE is represented

- Institute Public Administration Australia
- Australian Human Resource Institute
- Commonwealth Association for Public Administration and Management
- Human Resources Development Network
- Remote Workforce Development Committee
- Public Sector Management Program local group
- Public Sector Consultative Council
- DCIS HR reference group
- Education Consultative Council
- Youth Affairs inter-departmental committee
- DHCS joint consultative council
- Women's round table
- NTG web group
- NTG information officers' group
- Information Act inter-departmental committee (advisory group)
- NTG communications and marketing group
- Alice Springs extended regional coordination committee
- Strategic workforce issues action group (SWiAG)
- Batchelor Institute of Indigenous Training and Education HR Committee (BIITE)
- Public Sector IR Forum
- Senior Officers Industrial Forum
- ILO Technical Officers Forum
- Inter-Departmental Committee for Indigenous Economic Development
- Procurement reference group
- Working for outcomes
- GAS support workshop
- Human resource committee
- Public Service Commissioner's conference
- PSETA/PSTP review steering committee
- Alice Springs extended regional coordination committee
- Alice Springs executive regional coordination committee
- Strategic workforce issues action group (SWiAG)
- Desert Knowledge Australia Regional Video Network
- NGO HR Network
- Building Stronger Regions and Sustainable Futures – conference steering committee

Feedback Form

We welcome your feedback on the OCPE Annual Report. Your comments and suggestions will be used in the development of future reports by the office of the Commissioner for Public Employment.

Please tick the relevant box, to indicate how you rate the report.

	Excellent	Good	Satisfactory	Poor
Overall impression	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presentation and design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Easy to read and understand	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Content/information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Which areas of the report were most useful? _____

How do you think that the report could be improved? _____

Please indicate where you are from:

- | | |
|--|--|
| <input type="checkbox"/> NT Government | <input type="checkbox"/> Education or research institution |
| <input type="checkbox"/> NT Government | <input type="checkbox"/> Community member or organisation |
| <input type="checkbox"/> Federal Government | <input type="checkbox"/> Industry |
| <input type="checkbox"/> Other State or Territory Government | <input type="checkbox"/> Private sector |

Does the report contain the information you required? Yes No

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

Please return your completed feedback sheet either by post, fax or delivery to:

Postal: GPO Box 4371
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This form is also available online at www.nt.gov.au/ocpe

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