

# Annual Report 2017-18





# OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT ANNUAL REPORT 2017–18

## Purpose of the Report

The 2017-18 Office of the Commissioner for Public Employment Annual Report highlights achievements during 2017-18 against the OCPE Strategic Plan and the key deliverables outlined in the 2017-18 Budget Paper No. 3.

This report has been prepared to meet the requirements of section 18(2)(d) of the *Public Sector Employment and Management Act*, section 12 of the *Financial Management Act* and other statutory agency reporting requirements. It provides the Minister, the Northern Territory Legislative Assembly and other interested parties with information about:

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

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

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# LETTER TO THE MINISTER

The Honourable Gerald McCarthy MLA  
Minister for Public Employment  
GPO Box 3146  
DARWIN NT 0801

Dear Minister McCarthy

## RE: THE OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT 2017-18 ANNUAL REPORT

In accordance with the provisions of the *Public Sector Employment and Management Act*, I submit the 2017-18 Annual Report on the activities and achievements of the Office of the Commissioner for Public Employment for the year ending 30 June 2018.

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

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

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

Yours sincerely



Craig Allen  
Commissioner for Public Employment  
28 September 2018

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# ACRONYMS AND ABBREVIATIONS

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

It should be noted the word 'Aboriginal' throughout this document is inclusive of Aboriginal and Torres Strait Islander people.

# COMMISSIONER'S FOREWORD

Welcome to the OCPE Annual Report for the 2017-18 reporting period. The report has two purposes:

- to fulfil the CPE's responsibility (as the agency CEO) under section 18(2)(d) of PSEMA to report to the Minister for Public Employment on the operations of OCPE for 2017-18
- to provide an account of OCPE's achievements for 2017-18 and outline priorities for 2018-19.

The report includes an overview of OCPE, its purpose, priorities, performance and people. The structure of the performance reporting section is aligned with the outputs from the Northern Territory 2017-18 Budget Paper No. 3.

The delivery on initiatives continued to be successful for another year. OCPE has continued to focus on increasing the number of Aboriginal employees in the NTPS as well as developing strategies to increase opportunities for employment for people with disability. In addition, simplified recruitment has seen the average recruitment time reduced by in excess of 50%. More than 6500 public sector employees have been trained in recruitment and selection and the new process continues to attract attention nationally.

Since the last reporting period, there have been over 530 participants in professional development programs that OCPE auspices. Of note, the Public Sector Management Program celebrated its 25<sup>th</sup> year anniversary across Australia, with OCPE achieving cohorts in both Darwin and Alice Springs.

The marathon round of Enterprise Bargaining Agreement negotiations continued in 2017-18, with police, Jacana Energy and the general NTPS being finalised, and 10 other agreement negotiations continuing during this period.

OCPE continued to monitor, support, and provide advice and assistance to agencies managing change as a result of restructuring

impacting on employees.

As a result of the work of AECD, assisted by 11 agencies implementing Special Measures, the number of Aboriginal employees maintains a level in excess of 10% of the NTPS workforce. This continues to be an outstanding effort, is still the best in the country and sets up a pathway to working towards the 2020 target of 16%. The Aboriginal Employees' Forum continued in both Darwin and Alice Springs, with excellent attendance, and feedback from the forums indicated high satisfaction with the employment strategy.

We continued to implement the Inclusion and Diversity Initiative for the NTPS, which focuses on improving workplace culture and upskilling employees in working in diverse teams. The current priority areas within the inclusion and diversity agenda are Aboriginal employees, people with disability, and our ageing workforce.

OCPE also supported the Recognition of Service events hosted by the Minister for Public Employment that honoured over 180 long serving NTPS employees.

I would like to take this opportunity to thank the staff at OCPE for supporting me in my role and for the dedication, commitment, and professionalism they have brought to their roles within OCPE. The 2017-18 financial year has been a particularly challenging and busy year with all Divisions delivering a range of programs.

In closing, I would also like to acknowledge the key stakeholders with which we work including agency CEOs, HR officers, unions, the Fair Work Commission, and the Minister for Public Employment and his staff.

Yours sincerely



Craig Allen  
Commissioner for Public Employment  
28 September 2018





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# ABOUT THE OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT



# FUNCTIONS OF THE COMMISSIONER

## Overview

OCPE is a central agency within the NTPS with sector-wide responsibility for public sector workforce management and development, and industrial relations.

OCPE supports the CPE's statutory employer role, as defined under section 12 of PSEMA. The CPE is also required to provide strategic and policy advice to support the Minister for Public Employment in undertaking duties under PSEMA.

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

- to determine the respective designations and other terms and conditions (including the remuneration) of employment for employees
- to promote the upholding of the public sector principles
- to determine practices and procedures relating to the recruitment and employment of persons as employees, the promotion of employees and the employment, transfer, secondment, redeployment, discipline and termination of employment of employees and any other matters relating to human resource management
- to consult with and advise CEOs in relation to the development and application of appropriate human resource practices and procedures in their agencies
- to consult with CEOs in relation to the application of public employment policies in their agencies
- to advise the Minister on, and monitor the implementation of, public employment policies
- to develop uniform systems, standards and procedures for the determination of designations and 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 management practices of agencies
- to consult with CEOs on the development of appropriate standards and programs of occupational health and safety
- to assist as appropriate CEOs in the performance of their functions relating to the management of their agencies
- such other functions as imposed on the CPE by or under PSEMA or any other Act, or as directed by the Minister.



## Administrative Arrangements Order

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

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

## Legislation

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

- *Annual Leave Act*
- *Correctional Officers Arbitral Tribunal Act*
- *Long Service Leave Act*
- *Police Administration Act* (Part III)
- *Public Employment (Mobility) Act*
- *Public Holidays Act*
- *Public Sector Employment and Management Act*.

OCPE also has responsibility for the following regulations:

- Public Holidays Regulations
- Public Sector Employment and Management Regulations.

## Key External Influences

Key external influences that affect the operations of OCPE are:

- community expectations and government policy on employment and workforce development initiatives – to acquit the Government's responsibility as the largest employer in the NT
- changes made to the *Fair Work Act*, which

is federal legislation, that may impact on NTPS employment terms and conditions, and industrial practices

- changing community and workforce demographics, particularly in relation to the ageing workforce.

## Outputs and Performance

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

### Employment Services Output Group

The outcome for the Employment Services Output Group is:

- a skilled, fair and creative public sector that provides the highest quality service to the government and Territorians.

The Employment Services Output Group has three outputs:

- Employee and Industrial Relations
- Workforce Planning and Development
- Public Sector Appeals and Grievance Reviews.

### Employee and Industrial Relations

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

It also provides strategic public and private industrial relations advice and administers the NT's *Long Service Leave Act* and *Public Holidays Act*.

## Workforce Planning and Development

The Workforce Planning and Development Output builds workforce capability and capacity within the NTPS through development and implementation of workforce planning and development strategies and initiatives, including core capability and leadership development, and the promotion of equity and diversity throughout the NTPS.

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

## Public Sector Appeals and Grievance Reviews

The Public Sector Appeals and Grievance Reviews Output conducts promotion, disciplinary and inability appeals pursuant to PSEMA, and provides employees with independent reviews of agency actions and decisions through the grievance review process. It also provides agencies with strategic advice, assistance, education and a review function in relation to special measures recruitment; and develops and implements uniform NTPS recruitment and selection policy and procedures, including the provision of strategic advice, training and education on merit selection.

## Corporate and Governance Output Group

The Outcome for the Corporate and Governance Output Group is to:

- improve organisational performance through strategic and governance leadership and the provision of appropriate corporate functions.

The Corporate and Governance Output Group has two outputs:

- Corporate and Governance
- Shared Services Received.

## Corporate and Governance

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

## Shared Services Received

The Shared Services Received Output received from DCM includes financial services, human resource management, information and communication technology, governance and risk services, and communications and media.

## Strategic Issues

The strategic issues for the 2017-18 reporting period included:

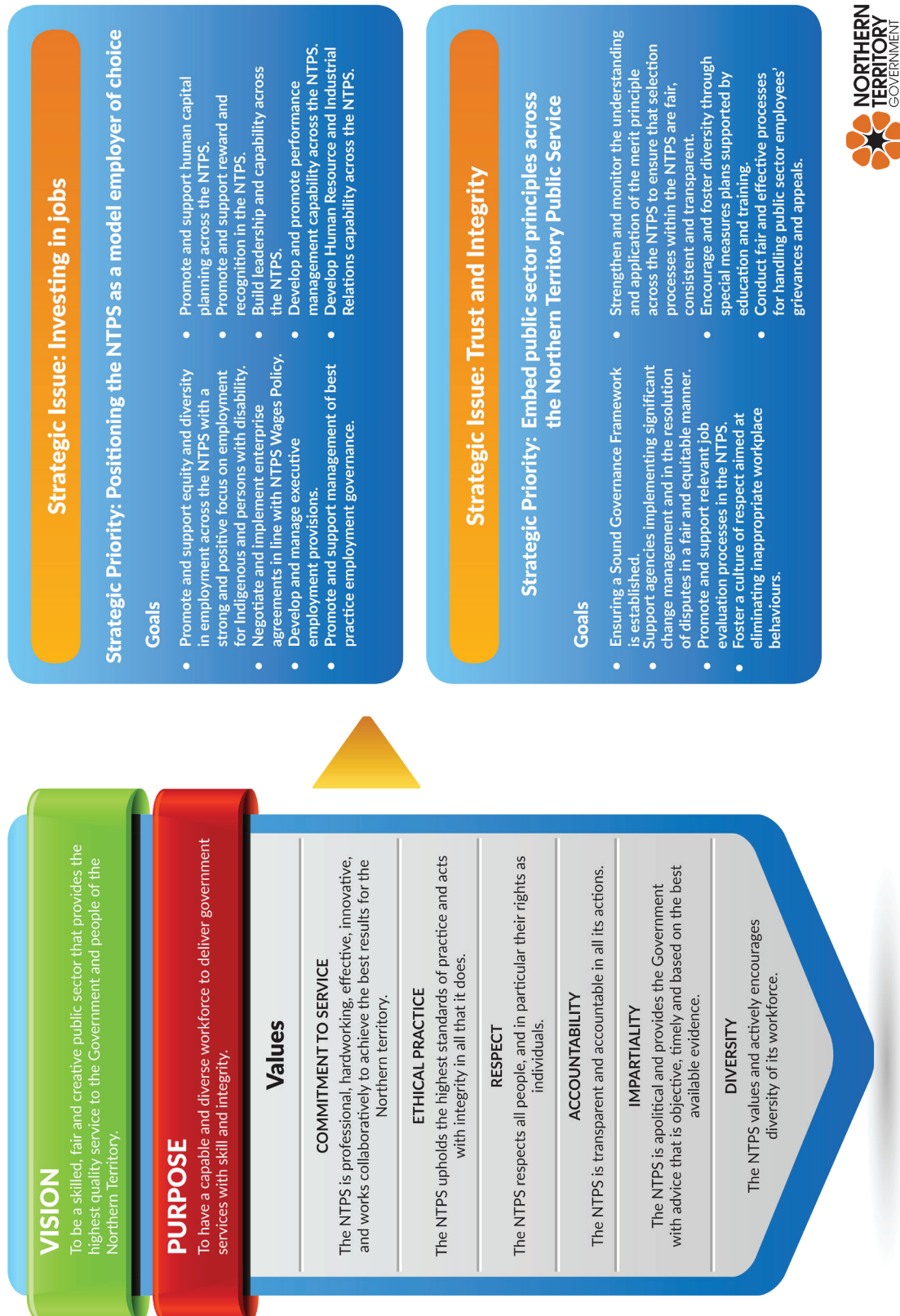
- Negotiating and implementing NTPS enterprise agreements in line with the NTPS Wages Policy.
- Facilitating and promoting professional development opportunities to build capability across the NTPS, with a focus on core skills capability, management and leadership development.
- Promoting and supporting uniform NTPS recruitment and selection policy and procedures, including the provision of training and education on merit-based selection.
- Implementing the NTPS IECDs 2015-2020.
- Promoting the implementation of special measures for Aboriginal and Torres Strait Islander recruitment plans for vacancies across the NTPS, including the provision of advice, assistance, education and a review function.
- Implementing the NTPS ageing workforce policy framework.
- Promoting and supporting best practice employment governance.
- Implementing a refreshed NTPS disability employment strategy.

# OCPE STRATEGIC PLAN 2017-2020

A copy of the current OCPE Strategic Plan can be found at Figure 1.

Figure 1 – OCPE Strategic Plan 2017-2020

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







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## PERFORMANCE REPORTING

# KEY ACHIEVEMENTS FOR 2017-18

The key achievements for 2017-18 included:


- Aboriginal employment in the NTPS remains at 10.4%, as at June 2018.
- Aboriginal participation in senior/executive levels has increased to 4.7%.
- Two Aboriginal Employee Forums were held, one each in Darwin and Alice Springs, to allow Aboriginal employees to discuss current issues and challenges and contribute ideas on future employment and career development opportunities.
- Transitioned the Aboriginal and Torres Strait Island Employment Aspirations Program to DCIS.
- Developed a Cross-Cultural E-Learn – Foundational Story.
- Developed an Aboriginal Employee Mentoring Program.
- Around 530 employees participated in professional development activities auspiced through OCPE.
- Organised the whole-of-sector Recognition of Service event to recognise and reward over 180 long-serving NTPS employees.
- Developed and launched the NTPS Middle Manager's Development Framework, enabling employees to select tailored professional development options specific to their individual needs.
- Developed and published material to support NTPS employees experiencing domestic and family violence.
- Launched the new NTPS *EmployAbility Strategy 2018-2022*.
- Launched the NTPS Training Panel Contract in collaboration with DCIS.
- Conducted workshops for HR officers regarding Fair Work cases, and the application of the discipline and inability provisions, including suspension.
- Proceeded to Ballot on the Teacher and Educator Enterprise Agreement following a collaborative bargaining approach with the AEU.
- Negotiations for the new Police Consent Agreement, and the Jacana Energy and NTPS General enterprise agreements were completed.
- Negotiations for new enterprise agreements continued for Aboriginal Health Practitioners, Correctional Officers, Dental Officers, Firefighters, Medical Officers, Nurses and Midwives, Port Service Workers, Power and Water, and Territory Generation.





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# EMPLOYMENT SERVICES OUTPUT GROUP



# EMPLOYEE AND INDUSTRIAL RELATIONS

## Overview

Employee Relations is responsible for developing and managing the NTPS employment terms and conditions under the PSEMA and *Fair Work Act* legislation, and relevant enterprise agreements. ER represents the employer in enterprise bargaining negotiations and in the Fair Work Commission. ER is also responsible for providing strategic public and private sector industrial relations advice, and administering the NT's *Long Service Leave Act* and *Public Holidays Act*.

Strategic priorities during 2017-18 included:

- Negotiating 12 NTPS Enterprise agreements under the NTPS 2017-20 Wages Policy, with two (Jacana Energy and the NTPS General) being approved by the Fair Work Commission, and the third (the Police Consent Agreement) becoming operational during this period.
- Developing materials for and assisting agencies to implement the two new NTPS Enterprise Agreements.
- Developing materials for, and assisting agencies to implement a number of sustainable workforce measures applied by the NT Government in relation to voluntary retrenchments and position freeze.
- Commencement of the NT *Long Service Leave Act* review that applies to the private enterprise employees.
- Promoting and supporting management of best practice employment governance.
- Developing human resource and industrial relations ability across the NTPS through provision of training and workshops.
- Coordinating NTG input to ILO matters.
- Representing the NTG on national industrial relations committees and providing advice about industrial relations legislative developments.
- Providing workforce statistics and analysis.
- Managing the policy for and central management of NTPS redeployment and redundancy.
- Managing the JES policy.
- Providing secretariat services to the Correctional Officers' Arbitral Tribunal and the Police Arbitral Tribunal, and administering Part III of the *Police Administration Act*.
- Providing a labour inspectorate role in relation to the *Long Service Leave Act* and *Public Holidays Act*.

Other specific responsibilities included:

- Developing and managing public sector and private sector industrial relations policy.
- Developing public sector human resource management policy.
- Providing industrial relations and employee relations advice.
- Developing and managing executive employment provisions.

## Negotiating and Implementing Enterprise Agreements in Line with the Wages Policy

Two enterprise agreements were made and approved (Jacana Energy and the NTPS General agreements) during 2017-18. Further, the Teachers and Assistant Teachers' enterprise agreement was made (ie a majority of employees cast a vote to approve the agreement), but final approval of the agreement will occur during 2018-19. The Northern Territory Police Force Consent Agreement 2017 commenced operation in 2017-18, and there were also negotiations for agreements occurring for:

- Aboriginal Health Practitioners
- Correctional Officers
- Dental Officers
- Firefighters
- Medical Officers
- Nurses and Midwives
- Port Service Workers
- Power and Water
- Territory Generation.

Negotiations for agreements covering the NT Police Service are conducted under Part III of the *Police Administration Act*. All other enterprise agreement negotiations in the NTPS are made under the *Fair Work Act 2009* (federal legislation) and underpinned by the NTPS Wages Policy 2017-2020. The policy is an important component in the Government's fiscal strategy and the objectives of the policy are to:

- ensure costs arising from bargaining outcomes are kept within fiscal parameters
- deliver efficiency, effectiveness, savings,

service outcomes, and workplace reform across agencies

- maintain terms and conditions
- deliver fair wage increases
- support collective bargaining.

In April 2018, the Treasurer announced a government decision to amend the NTPS Wages Policy from 2.5% to 2% wage increase per annum effective 1 October 2018. After the reporting period, this date was amended to 14 December 2018.

## Managing the Job Evaluation System

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

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

## Strategic Public Sector and Private Sector Industrial Relations Policy Development and Management

ER liaises with the Commonwealth Government, states, and territories about the Fair Work legislation and regularly provides advice about Fair Work matters to government and NTPS agencies.

## Strategic Public Sector Human Resource Management Policy Development

The PSCC is an important joint union and management body established under PSEMA and chaired by the CPE. The PSCC met in December 2017 to consider matters relating to:

- redeployees and voluntary redundancy in the NTPS
- special measures initiatives to promote Aboriginal employment
- the 2016-17 State of Service Report
- the People Matter Survey
- NTPS wide policies
- fixed term employment
- work health and safety matters – occupational violence
- NTPS health and safety representatives
- a review of employment legislation frameworks – PSEMA and subordinate legislation, and the *Long Service Leave Act*.

## NTPS Employment Framework

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

PSEMA requires all vacancies exceeding six months to be advertised on the Careers in Government – Employment Opportunities Online website, unless otherwise approved by the CPE. In seeking the CPE's approval to select a person without advertising, agencies must demonstrate that the merit principle has been met. During 2017-18, OCPE received 26 requests (covering 38 employees) to select without advertising. Of these, 20 of the requests were approved, one request was declined, two are pending, and two requests were withdrawn.

These requests generally sought to:

- appoint on an ongoing basis, fixed period employees who had been awaiting approval of applications for permanent residence in Australia at the time of their original offer of appointment
- offer appointments to skilled specialists for hard to recruit positions
- appoint employees on an ongoing basis where the position was previously only for a fixed period due to funding arrangements
- select employees to positions as a result of substantial change or restructure
- appoint employees on an ongoing basis from the Disability Employment Program to retain talent and to promote diversity in the workplace within the NTPS.

The CPE can determine terms and conditions of employment for individuals or classes of employees across the NTPS. Determinations issued during 2017-18 generally related to:

- allowances (skills, market, responsibility, salary maintenance) for individual employees and groups of employees
- appointment to salary above base level.

CEOs can submit requests for such determinations provided evidence is submitted to justify the request.

## Industrial Relations and Employee Relations Advice

A key role of ER is to provide specialist human resource and industrial relations consultancy services to agencies, employees, and members of the public. Advice during 2017-18 covered:

- interpretation of employment conditions and arrangements
- application of employment condition provisions
- policy and operational matters regarding consultation and change management, filling of vacancies resulting from

substantial change, and redeployment processes

- inability, discipline, and probation matters
- terminations
- job evaluation
- public holidays and long service leave enquiries under the *Public Holidays Act* and *Long Service Leave Act*
- processes and legal requirements for enterprise bargaining.

During 2017-18, ER appeared before the FWC on behalf of the CPE, who is the statutory employer of all NTPS employees, in 20 matters as set out below:

- general protections matters, involving dismissal (two)
- general protections matters, not involving dismissal (three)
- disputes over the application of enterprise agreements (two)
- unfair dismissals (six)
- appeals (one)
- application for orders to stop bullying (six).

During 2017-18, ER assisted agencies in the resolution of matters, including management of change, and transfer of business and outsourcing.

## Executive Contract of Employment Arrangements

The employment terms and conditions for ECOs (including CEOs) are set by the CPE. The Executive Remuneration Review Panel was established to consider remuneration or conditions above the minimum standard and manages the NTPS wide ECO Policy. Under the contract arrangements, ECOs can be employed for periods of up to four years on renewable contracts. This allows flexibility to manage the employment relationship with a strong focus on performance and accountability through annual performance arrangements.

## NTG Input to the International Labour Organisation

The NTG is required to report annually on ratified and unratified ILO conventions as specified by the ILO, through the Commonwealth Government's Department of Employment, which administers all ILO matters nationally. ER undertakes this responsibility on behalf of the NTG.

During 2017-18, three requests were received from the Commonwealth Department of Employment. These were a law and practice report about the Minimum Age Convention; and commentary in relation to reports and recommendations about Violence in the World of Work and Social Protection Floors.

These requests were completed and provided to the Commonwealth Government.

## Representing the NTG on National Industrial Relations Committees and Providing Advice about Industrial Relations Legislative Developments

ER provides NTG representation on the following national committees that deal with industrial relations legislation and policy:

- National Public Sector Industrial Relations (Directors) group
- Senior Officials' Group, which provides advice and support to the Select Council on Workplace Relations which consists of the Ministers with responsibility for workplace relations and workplace health and safety in the Commonwealth, states, and territories.

Matters dealt with during 2017-18 included amendments to the *Fair Work Act* and the protocols for consultation with the states and territories under the Intergovernmental Agreement for a National Workplace Relations System.

## Workforce Statistics and Analysis

ER provides workforce statistics and analysis based on NTPS-wide employee and pay information from a consolidated database system (PIPS) including:

- reports to government on NTPS employee levels and employee demographics, including overall and in agencies.
- ongoing employee data to Treasury to assist in the formulation and monitoring of budget employee targets.
- HR analysis to SWPD, as required to support and monitor a variety of SWPD's strategic initiatives.
- range of other workforce data analysis and statistical advice both in-house and to agencies to inform policy development.

ER also processed additional requests for data from interstate jurisdictions and the Commonwealth Government, and prepared data for the annual NTPS State of the Service Report.

## Central Management and Policy Development for NTPS Redeployment and Redundancy

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

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

Agency-allocated case managers are responsible for assisting and supporting

redeployees to find suitable redeployment within the NTPS or suitable and appropriate training opportunities.

During 2017-18, 10 redeployees were placed in suitable alternative positions, two resigned their employment, and 17 employees accepted offers of voluntary retrenchment. At the end of 2017-18, 25 redeployees were registered on the OCPE database. There were no forced redundancies.

In April 2018 it was announced that agencies would need to achieve a target of 250 voluntary retrenchments across the public sector over a four-year period (100 during 2018-19, and 50 each subsequent year). ER has been working with, and providing advice to agencies to support them in achieving these targets.

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

ER provides secretariat services to the Police Arbitral Tribunal and the Correctional Officers Arbitral Tribunal. The tribunals carry out functions similar to the Fair Work Commission but under specific NT legislation such as the *Police Administration Act* and *Correctional Officers Arbitral Tribunal Act*.

The Police Arbitral Tribunal consists of a Chairperson and two members; one nominated by the Minister for Public Employment and one by the Northern Territory Police Association. Deputy members are also appointed and are called upon should a Chairperson or member not be available. Appointments are for a maximum three-year term. During 2017-18, there were changes to the membership of the Police Arbitral Tribunal, including the reappointment of the Chairperson and the deputy of the Minister's nominee, and the appointment of a new deputy of the Police Association's nominee



for three year terms. The Police Arbitral Tribunal certified a new consent agreement covering the Northern Territory Police Force.

The Correctional Officers Arbitral Tribunal consists of a Chairperson, a member nominated by the Minister for Public Employment, and available elected members. The *Correctional Officers Arbitral Tribunal Act* allows nominations for 'available elected members' from the Northern Territory Senior Prison Officers' Association and the Northern Territory Prison Officers' Association. There were no changes to the membership of the Correctional Officers Arbitral Tribunal in 2017-18 and no matters listed.

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

Employee Relations administers the *Long Service Leave Act (NT)* and *Public Holidays Act (NT)*.

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

Authorised officers in ER (authorised by the Minister) can investigate complaints of non-compliance under the *Long Service Leave Act*. Six complaints were formally investigated during 2017-18 to determine employee entitlements under this Act. Additionally, ER regularly responds to phone queries from employees and employers regarding long service leave entitlements under the Act. The majority of these relate to eligibility for payment of long service leave before 10 years of service has been completed.

The *Public Holidays Act* specifies which

public holidays will be observed in the Northern Territory and when. Under this Act, the Minister may declare additional or substitute public holidays, or both. This power is generally used to declare public holidays for regional show days.

## Priorities for 2018-19

The priorities for 2018-19 include:

- Negotiate replacement agreements for Nurses and Midwives, Aboriginal Health Practitioners, Dental Officers, Firefighters, Correctional Officers, Medical Officers, Port Service Workers, Power and Water, and Territory Generation employees.
- Develop materials and assist agencies and employees to understand the new provisions arising from new agreements.
- Review the *Long Service Leave Act*.
- Review PSEMA and subordinate legislation.
- Implementing workforce sustainability initiatives – redundancies and position freeze
- Finalise the review of the ECO terms and conditions instrument.
- Support agencies implementing restructuring and major change.
- Provide agencies with consultancy advice regarding workplace efficiencies and employer best practice.
- Contribute to the development of HR and IR capability across the NTPS.
- Analyse and respond to federal workplace relations law changes.
- Consult with the unions on the review and development of employment information for NTPS employees about their terms and conditions.
- Review the PSEM By-laws following the NTPS General bargaining round.

# WORKFORCE PLANNING AND DEVELOPMENT – STRATEGIC WORKFORCE PLANNING AND DEVELOPMENT DIVISION

## Overview

SWPD's role is to build workforce capability within the NTPS through the development and implementation of strategic workforce planning, and development policies, strategies, and initiatives.

The current areas of focus are:

- Whole-sector strategic human capital/ workforce planning, monitoring, and reporting, and policy development to address key workforce issues.
- Workforce development programs and initiatives that respond to changing demographics, and building capability through access to training, tools, and resources.
- Delivery of capability development programs including leadership and management, and other core corporate competencies such as policy development, performance management, and foundational public sector governance knowledge.
- Promotion of inclusion and diversity in the NTPS, with a focus on positively influencing workplace culture to ensure all people, regardless of their background, are welcomed and valued in the workplace.
- Reward and recognition, and whole sector health and wellbeing initiatives.

## Strategic Workforce Planning

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

- implementing a NTPS Human Capital Plan and Framework
- providing workforce planning tools, templates, resources and advice
- delivering the NTPS People Matter employee survey
- developing and implementing of strategies and policies to address issues that impact across the sector, such as the NTPS Ageing Workforce policy framework and the EmployAbility Strategy.

## NTPS People Matter Survey

The NTPS delivers a biennial employee survey through the People Matter format. It is a perception-based survey that aims to measure employees' experiences in their job/profession, work area, agency, and the NTPS as a whole. People Matter has a broad scope and provides an opportunity for management and leadership teams to gain

powerful insights into what their employees think about their work experiences. These insights provide evidence for continuous improvement and are critical factors in the productivity and effectiveness of agencies, and in turn an agency's ability to deliver the outcomes required by government.

A People Matter pulse survey will be held in 2018, with a full survey being planned for late 2019. The pulse survey will focus on employee engagement, employee satisfaction, organisational change, and individual performance and capability development.

The full survey covers a broader range of measures including perceptions of managers, adherence to values, experiences of bullying and opportunities to innovate.

## Inclusion and Diversity in the NTPS

The NTPS recognises that diversity represents many facets of difference including gender, age, language, ethnicity, abilities, cultural background and family responsibilities. Research demonstrates there is a substantial dividend to be gained from a more inclusive and diverse workforce, so an investment is not only the right thing to do – it makes business sense and is a strategic asset.

Fostering an inclusive working environment will enable the NTPS to tap into a much broader labour market and employ the best people regardless of background. Demonstrating genuine inclusiveness in the NTPS will become increasingly important for numerous reasons, including changes in our

population demographics and in response to the ageing workforce.

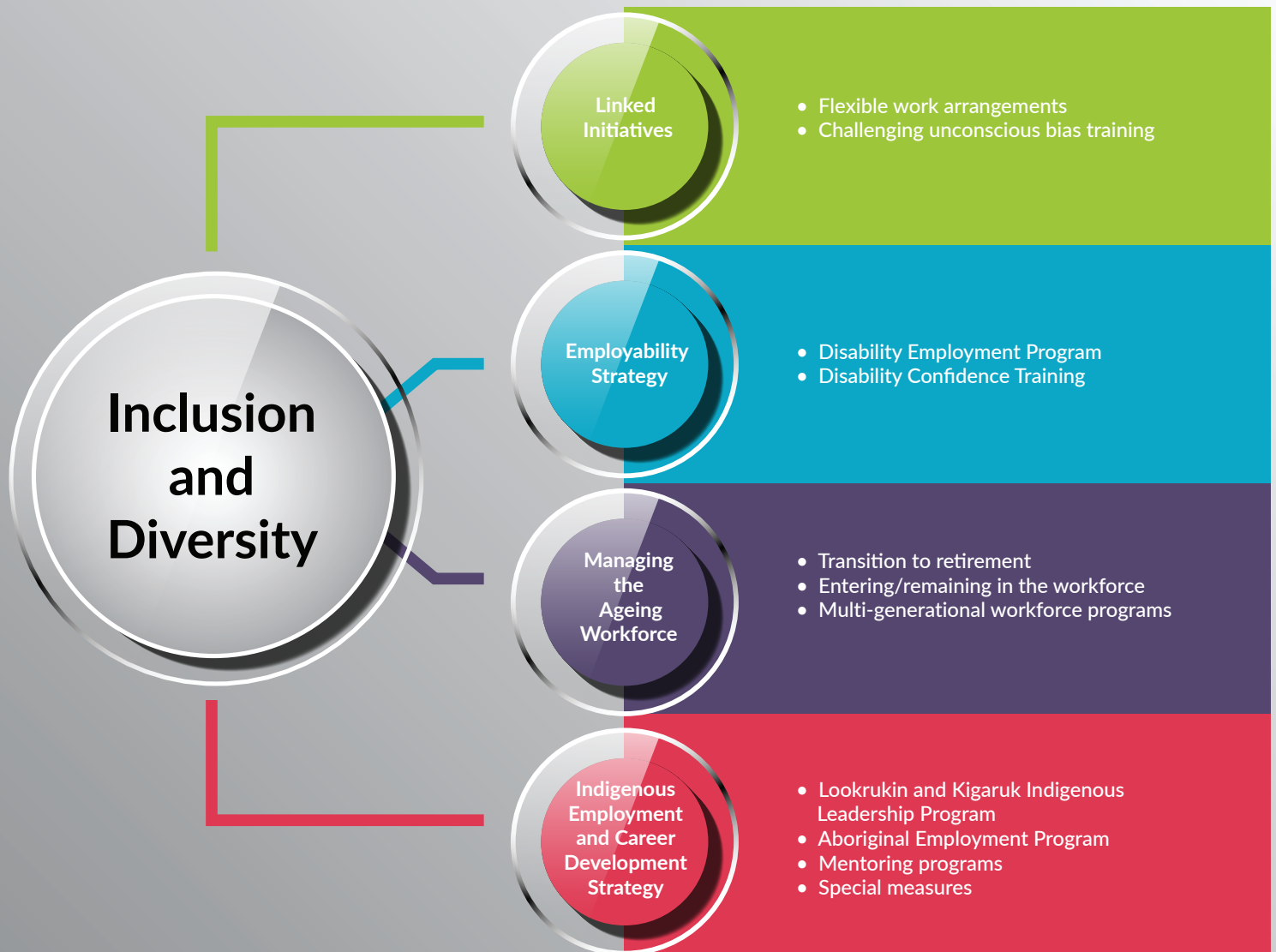
OCPE is 'for inclusion and diversity' by creating workplace cultures that welcome people from all backgrounds. It is important for all public sectors to be representative of the communities they serve. The future workforce demands a flexible and diverse approach to attract and retain the best people for the job, including tapping into labour pools such as older workers, and people from diverse backgrounds. We need to constantly evolve, and have a culture of inclusion and diversity as the norm within our agencies and teams. OCPE has developed the Inclusion and Diversity initiative, which is supported by a campaign intended to drive improvements across the inclusion agenda.

At its centre, the 'Hands Up For Inclusion' campaign challenges employees to check their assumptions about people from diverse backgrounds and encourages agencies to articulate their own 'inclusion agenda'.



OCPE is delivering a range of initiatives for specific diversity groups, with a strong focus on positively influencing workplace culture, as shown in Figure 2.

Figure 2 – NTPS Inclusion and Diversity Initiative



## NTPS EmployAbility Strategy 2018-2022

OCPE launched the new NTPS disability employment strategy, 'EmployAbility', in December 2017. The strategy builds on the previous versions, including a strong focus of fostering an inclusive and accessible employment environment to attract and retain people with disability. The new strategy refines the definition of disability, and acknowledges barriers to employment for people with disability must be systematically identified and removed.

Proactive initiatives being delivered through the new strategy include:

- Implementation of a Champions of Inclusion CEO network, and a sector-wide Disability Resource Group.
- Refinement of information published on the NTPS recruitment website to increase accessibility to employment for people with disability.
- Sector-wide membership with the Australian Network on Disability (AND). AND is a not-for-profit organisation resourced by its members to advance the inclusion of people with disability in all aspects of business.

- The NTPS Disability Employment Program and traineeships for school leavers with disability.
- Membership with the Diversity Council of Australia.
- Delivery of disability confidence-building training.
- Resources to support agencies with recruitment and retention including:
  - ‘Managers Guide to Employing Staff with Disability’
  - ‘Beyond Recruitment – a guide to retaining staff with disability in your organisation’.
- In 2017-18 OCPE supported broader disability-related initiatives through sponsorship including:
  - AND’s national conference. This conference provided insight into leading initiatives and best practice in the disability employment field from a range of government and non-government organisations.
  - NT Disability Services Awards.

## Disability Employment Program

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

In the delivery of the DEP, the NTPS works in partnership with Disability Employment Services providers, who provide additional support to participants in the DEP and their workplaces. DEP positions are at the entry level, and the program is structured to provide opportunities for people with disability who are not able to compete for a job on the basis of merit. Placement with the DEP is limited to a maximum of two years.

In 2017-18, nine people with disability were employed through the DEP. Participating agencies included:

- Department of the Attorney-General and Justice
- Department of Corporate Information Services
- Department of Education
- Department of Health
- Department of Trade Business and Innovation
- Department of Tourism and Culture
- NT Anti-Discrimination Commission.

At the conclusion of the DEP placements, two employees were offered positions by their agencies, one in an ongoing capacity and one for a fixed period.

## Improving Employment Opportunities for School Leavers with Disability

OCPE and the Department of Education collaboratively established employment opportunities for school leavers with disability. The initiative provides employment for school leavers with disability in NTPS traineeships. In 2017-18, the Department of Education and DCIS supported three school leavers with disability as they completed traineeships. One of the trainees secured further employment with the NTPS in a fixed-term role.

## Ageing Workforce

All Australian jurisdictions and developed nations across the globe are confronting similar challenges in relation to the ageing population and workforce. The NTPS workforce is ageing, with approximately 45% of NTPS employees aged 45 years and older, with an overall average age of 43 years. The proportion of older workers in the NTPS, and average age, has been steadily increasing over time and this will continue.

The NTPS circumstances are compounded by a limited local labour market from which to recruit replacement employees. The



historical reliance on recruiting skilled and experienced people from interstate will be curtailed over the coming years, due to competition for the same people in all jurisdictions. Without appropriate workforce planning and policy development, the NTPS will experience significant challenges in managing our changing demographic profile, and as a consequence, a potential outflow of significant numbers of employees.

The NTPS has developed and launched an active, innovative and relevant policy framework that will assist in keeping ageing employees in the workforce longer or reengaging them once they have retired, as well as managing higher proportions of older workers in the NTPS. The NTPS Ageing Workforce Policy Framework will assist agencies and employees to respond to demographic change, to upskill leaders to manage multi-generational teams, implement new ways of extending current employees' careers, and fill vacancies with both younger workers and welcome new, mature workers.

## Workforce Development

### Capability and Leadership Framework

Used as a benchmark for supporting consistent NTPS-wide capability development, the CLF underpins training and development for all NTPS-wide leadership, capability, and management programs that OCPE offers.

The CLF and CLF Self-assessment Tool, a diagnostic instrument designed to support performance conversations between an employee and his or her supervisor, were refreshed and re-launched together with the newly developed Professional Learning Plan Tool. The CLF resources provide a reference point for conversations between employees and supervisors in identifying professional development opportunities, both to strengthen capability in the current role and understand expectations at the next level.

### Middle Manager Development Framework

A key development priority, based on State of the Service and employee survey data, along with a sector-wide training needs analysis, is the development of the leadership skills and capabilities of NTPS middle managers.

In response to this emergent need, OCPE developed a multi-program Middle Manager Development Framework, incorporating contemporary learning approaches. The framework sets out key development pathways that can be benchmarked over time. The two programs are:

- Program One: Middle Management Essentials
  - Level 1 – Management Skillset and Leadership Mindset: A program for new middle managers
  - Level 2 – Revive and Refocus: A program for established middle managers
- Program Two: Planning, Strategy and Policy Essentials
  - A program for employees who work within a policy, strategic planning, or program planning and implementation role who are seeking to develop evidence-based policy, program design, implementation and evaluation expertise.

The Framework, launched in February 2018, has been structured to ensure coverage of the specific target areas with courses being clustered within each of the programs. New and existing courses offering contemporary approaches to capability and leadership development using providers from the Accredited and Non-accredited Training Panel Contract were on offer from April 2018. These programs adopt the 70% (on the job learning), 20% (social learning), 10% (formal learning) approach to adult learning and are structured to provide participants with the option to build their own program by choosing courses that meet interest and need over time.



## Women in Leadership

In 2017-18, women comprised 64% of the total NTPS workforce. A wide range of employment and career options in the NTPS are available to suit women of all ages and from all backgrounds. The NTPS is continuing to support initiatives to increase

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

The NTPS is outperforming all other jurisdictions in terms of representation of women in all senior classifications, with 50% globally in these roles – as detailed in Figure 3.

Figure 3 – Representation of Men and Women in Senior Positions in the NTPS

Classification	Female	Male	Total	Percent Female
Senior Admin 2	149.9	99.2	249.1	60%
Exec Officer 1C	120.8	145.0	265.7	45%
Exec Officer 2C	65.9	73.0	138.9	47%
Exec Officer 3C	15.5	25.5	41.0	38%
Exec Officer 4C	8.0	9.4	17.4	46%
Exec Officer 5C	6.0	7.0	13.0	46%
Exec Officer 6C	3.0	10.0	13.0	23%
Total	369.0	369.0	738.0	50%

Source: DCIS September 2018

The NTPS has a number of key initiatives to continue to build the population of women in leadership positions, including:

- The Public Sector Management Program equips middle to senior managers with the knowledge and abilities required to become effective public sector leaders. Out of the 51 NTPS participants in the 2017-18 cohorts, 35 (69%) were women.
- Kigaruk and Lookrukin is the NTPS' flagship Aboriginal leadership program. It is specifically designed to offer Aboriginal men and women in the NTPS the knowledge and skills to increase their effectiveness in their current position and to improve their career progression. Participants undertake a Diploma of Management at Charles Darwin University. Fourteen Aboriginal women commenced in the 2017 program and of these, six graduated in 2018.

## Training Panel Contract

An Across Government Training Services Panel Contract, covering both accredited and non-accredited training topics, was launched jointly by OCPE and DCIS in 2017. The panel is jointly managed by OCPE and DCIS.

The primary purpose of the panel is to enable access to high quality training providers in the delivery of programs that address whole-sector skills development requirements. The panel is underpinned by the Capability and Leadership Framework and encompasses 76 topics across 19 overarching domains. Forty-seven providers, both NT and interstate based, have been awarded a place on the panel. Use of the Training Panel Contract is mandatory across all NTPS agencies for topics within its scope.

Inclusion of new topics or training providers will be considered after the first 12 months of implementation of the Panel Contract. However, inclusions will only be considered on the basis of being demand driven, rather than supply driven. This will ensure the Panel Contract is comprised only of training topics required by NTPS agencies, and contractors who can deliver against these topics.

The inaugural Training Panel Contract Expo was hosted by OCPE and DCIS in May 2018. Twenty-five panel members showcased their training and development offerings and

established relationships with NTPS Training and Development Networks within 18 agencies.



Training Panel Contract Expo, May 2018

## Leadership and Capability Development Programs

A suite of leadership and capability development programs continued to be offered by OCPE during 2017-18, with a total of 28 programs delivered, and 530 NTPS employees participating in the programs. The leadership, capability and executive programs offered (and attendance at these programs) is shown in Figure 4.

Figure 4 – Leadership, Capability and Executive Programs

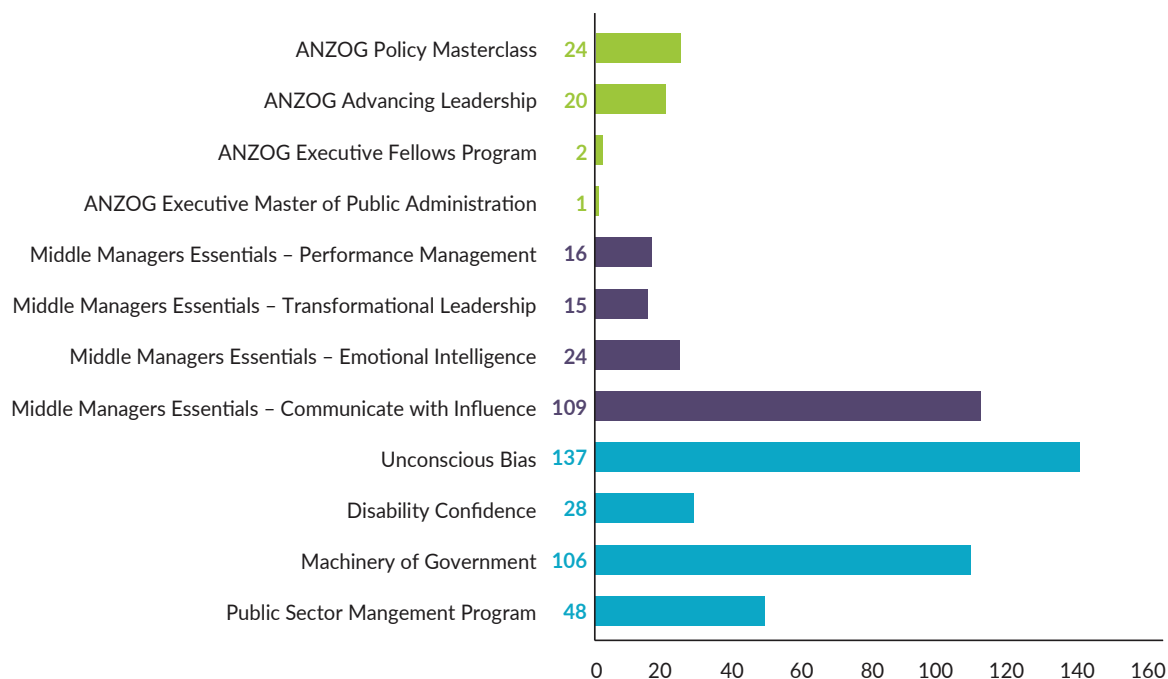
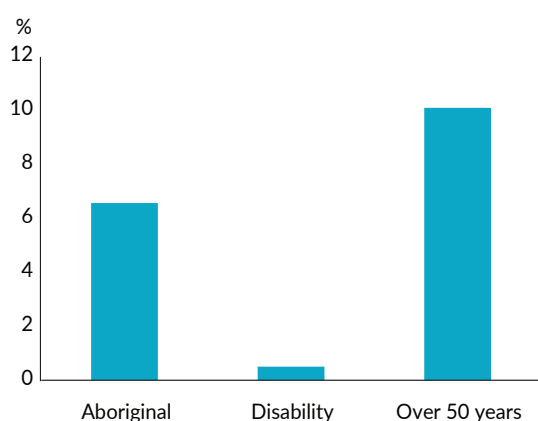


Figure 5 – EEO Participation across Leadership, Capability, and Executive Programs



## Aboriginal Leadership Development Programs

The IECDS 2015-2020 was launched in 2015. The strategy's aim is to improve Aboriginal employment outcomes across the NTPS, including a 10% target of senior roles to be filled by Aboriginal employees by 2020.

An integral component of building the leadership capability of Aboriginal employees

in the past eight years has been through the Kigaruk (men's) and Lookrukin (women's) leadership programs.

The first ever combined Kigaruk and Lookrukin cohort comprising of nine men and 14 women completed the program in March 2018. Eight participants from the cohort graduated in May 2018 with a Diploma of Leadership and Management qualification from Charles Darwin University, with the remaining participants striving for an October 2018 graduation.

## Public Sector Management Program

Graduates of the nationally accredited program, PSMP, receive a Graduate Certificate in Business (Public Sector Management) from QUT. PSMP targets participants within the classification range from AO6 to SA01 or equivalent and welcomes participants from all tiers of government: local, state, and federal.



Two PSMP cohorts commenced in 2017-18, validating the quality of the program and the ongoing commitment of agencies to develop leadership and public management skills within their organisations.

- Thirty-nine NTPS graduands, VIP's and guests attended a combined graduation ceremony for two 2016-17 Darwin cohort programs at Parliament House in September 2017.
- Fourteen NTPS Alice Springs employees, all women, successfully completed the

program in April 2018.

- Twenty-five participants commenced in the July 2017 cohort and are due to complete the program in September 2018. The QUT Business School PSMP Graduation Ceremony for 2017-18 programs will be held in Darwin in November 2018.
- In addition, a further 26 participants commenced the April 2018 cohort program, which concludes in July 2019.



*QUT Business School PSMP Graduates for 2016-17 Programs*

## Machinery of Government

The Machinery of Government program continues to be one of our most popular capability programs. It is designed to build a foundation of understanding of the context of government within which public sector employees operate.

During 2017-18, 106 participants undertook the program, with evaluation and feedback continuing to be positive. The format includes guest speakers from the Ombudsman's Office, the Auditor-General, and the Department of Treasury and Finance. A tour of Parliament House supplements the content, along with an overview of the Cabinet process.

## Middle Manager Essentials

Middle managers play a pivotal role in strategic implementation and organisational change as they are charged with seeing that an organisation's vision and strategy are executed. They are pivotal as they are in the ideal position to interpret global strategy and implement it locally, shaping and informing their team practice and, ideally, generating the metrics that confirm strategic intent is being realised in practice.

OCPE developed a multi-program Middle Manager Development Framework to equip and ensure the ongoing development of the leadership skills and capabilities required of NTPS middle managers. The Framework, incorporating contemporary learning

approaches, comprises two programs:

- Program 1 – Middle Manager Essentials
  - Level 1: New to middle management
  - Level 2: Experienced middle managers
- Program 2 – Planning, Strategy and Policy Essentials
  - A suite of five courses designed to develop evidence-based policy, program design, implementation, and evaluation expertise.

The two levels that form Middle Manager Essentials contain seven common courses deemed to be important core skill areas including:

- values and ethical leadership
- understanding self and culture
- communicate with influence
- emotional Intelligence
- creative problem solving and decision making
- innovative thinking and strategic alignment
- driving continuous improvement and change

In addition, there are courses that focus on developing management and leadership skills (level 1) or reflecting and refining management and leadership skills (level 2).

Both levels contain three clusters that focus on 'managing self', 'managing the business' and 'managing the team'. Participants have the option to build their own program by choosing courses from each of the clusters that meet interest and need over time.

Using training providers from the Accredited and Non-Accredited Training Panel Contract, the following Middle Manager Essential courses have been designed and developed for sector-wide application. The remaining suite of Program 1 courses will be launched on completion of the instructional design and development process in September 2018.

## Middle Manager Essentials – Communicate with Influence

Communicate with Influence is the first course to be delivered from the Middle Manager Essentials, 'Managing Self' cluster. The one-day course is designed to assist individuals to understand their own natural communication style and the challenges and opportunities it presents while managing and influencing others.

The program has been customised to the NTPS and is highly interactive with participants taking part in self-reflection activities, practical and hypothetical scenarios, and group discussions. With six sessions delivered since April 2018, the course was well received, with 109 participants attending.

## Middle Manager Essentials – Transformational Leadership

This two-day course launched by OCPE in May 2018, focuses on the practical reality of being in a management role and transitioning from individual contributor to manager.

Participants of this course learn techniques to:

- identify and understand the responsibilities and accountabilities that come with management roles
- recognise the challenges that exist when moving from a team member role to a management role
- understand the change from 'doing' to 'enabling' and have a plan to make this transition
- recognise the need for effective decision-making and have some tools to support this
- understand the importance of valuing diversity within the team.

## Middle Manager Essentials – Emotional Intelligence

Using a range of tools and techniques, this two-day course, launched in May 2018, introduces new ways to harness one's emotions and those of others in order to enhance decision-making, improve behaviour, and facilitate high performance.

Participants undertake a pre-course diagnostic tool that is unpacked throughout the session to enable a deeper understanding of emotional intelligence and what it means for professional interactions in the workplace and when managing others.

## Australia and New Zealand School of Government

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

The highlights for 2017-18 include:

- One senior executive was selected to undertake the Executive Master of Public Administration.
- Two senior executives were selected to participate in the Executive Fellowship Program.
- Twenty participants completed the OCPE and ANZSOG codesigned program for NTPS mid-senior executives, Advancing Leadership, which was delivered for the fourth time.
- Twenty-four participants completed the Policy Skills Master Class program, designed for experienced policy developers and complements the Practical Public Policy Design program delivered as an introduction to NTG policy review and development.

## Workplace Disability Confidence Training and Challenging Unconscious Bias

In conjunction with the Inclusion and Diversity Initiative, two programs were delivered by OCPE to further develop the leadership and capability of NTPS employees in this area.

Delivered by the Australian Network for Disability (AND), a Disability Confidence webinar session saw 28 participants attend an interactive session that challenged thinking, and developed a positive workplace culture and awareness for persons with disability.

Complementary to the Disability Confidence training was the Challenging Unconscious Bias sessions facilitated on behalf of OCPE by the Anti-Discrimination Commission. With seven sessions delivered and 137 participants in attendance, the program is, again, an interactive session that aims to challenge thinking, and develop a positive workplace culture and awareness of self in relation to cultural differences.

OCPE looks forward to offering both programs to all NTPS employees in the 2018-19 financial year as a component of the Inclusion and Diversity agenda.

## Building Human Resource and Industrial Relations Capacity in the NTPS

OCPE, through the NTPS Human Resources Capability Framework, actively builds the capability of our existing HR workforce.

Biannual HR Forums provide a knowledge sharing and networking opportunity for the NTPS HR community. The Forums provide HR professionals the opportunity to update their knowledge on legislation, industrial matters, leadership and workforce development issues and projects, change management developments, and also provide innovative sessions showcasing success stories from NTPS agencies.

In 2017-18, OCPE sponsored one HR Forum,

with more than 100 officers registering to attend the Forum. The Forum, held in December 2017, built on the Inclusion and Diversity themes from the earlier 2017 forum. The Member for Karama attended the Forum, launching the EmployAbility Strategy on behalf of the Minister for Public Employment, with officers from Alice Springs able to attend via videolink.

## Reward and Recognition

### 2017 Chief Minister's Awards for Excellence in the Public Sector

The Chief Minister's Awards for Excellence in the Public Sector is the NTPS' showcase event to recognise the best and brightest initiatives and individuals that make a positive and significant difference to the NT and Territorians more broadly. OCEP coordinates the nomination and judging process for this event each year. In 2017, 81 nominations were received across seven categories.

### Chief Minister's Public Sector Medals

The Chief Minister's Public Sector Medals are awarded annually as part of the Chief Minister's Awards for Excellence in the Public Sector ceremony. These medals recognise and reward the outstanding and commendable public service of individuals. All public sector employees are eligible for a Medal including office administrators and frontline officers dealing directly with the public.

Up to 10 Medals are awarded each year with a special medal awarded to an individual who demonstrated outstanding Aboriginal leadership. Eight employees received a prestigious Chief Minister's Public Sector Medal at the 2017 ceremony:

- Ray Orr – Territory Families
- Felicity Faull – Department of Education
- Dr Sajiv Thomas Cherian – Central Australian Health Services

- Andrew Lucas – NT Worksafe
- John de Koning – Department of the Chief Minister
- Jenny Mackie – Power and Water Corporation
- Miriam Heath – Department of Health
- Caroline Green – Department of Environment and Natural Resources

Outstanding Aboriginal Leadership Medal:

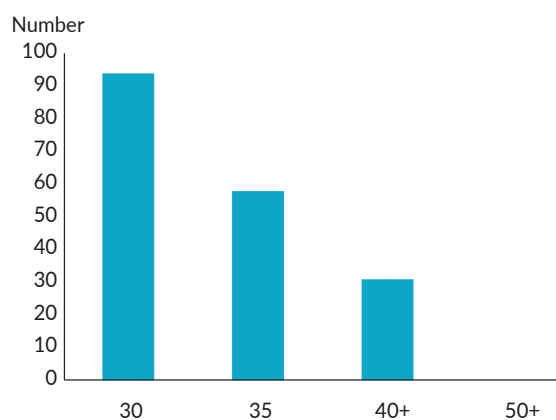
- Helen Lalara – Department of Health, Top End Health Service

### Recognition of Service Milestones

Official recognition of service in the NTPS occurs for 10, 20, 30, 35, 40+ and 50+ year milestones. The whole-sector initiative publicly recognises and rewards employees for 30, 35, and 40+ years of service to the NTPS. Hosted by the Chief Minister and the Minister for Public Employment, eligible employees are invited to attend a function to celebrate their long service with colleagues, as well as receive a gift and certificate of appreciation.

In 2017-18, two events were held, one in Darwin and one in Alice Springs. A total of 183 employees were recognised for their long service, as shown in Figure 7.

Figure 6 – Number of Employees Reaching Service Milestones in 2017-18





## Wellbeing Initiatives

### Financial Wellbeing Information Sessions

OCPE facilitated the delivery of two Australian Superannuation information sessions in 2017-18. These sessions were for NTPS employees of all ages and stages of life. The sessions provided guidance and information about superannuation and gave participants the opportunity to ask questions from an Australian Super industry expert, as the NTPS' default superannuation provider.

### Discounted Health Insurance Initiative

NTPS employees have access to discounted health insurance through a panel of health insurance providers. Under the initiative, employees can access discounted rates for medical cover from some of Australia's leading private health providers, with seven providers currently participating in the initiative. Individuals liaise directly with their chosen provider, and pay for their own insurance.

OCPE organises biannual appointments to enable private health providers to hold individual appointments with NTPS employees. These appointments are held in March/April and October/November each year in locations throughout Darwin.

## Interjurisdictional Collaboration

### SA / NT Connect

In collaboration with DCM, OCPE hosted 25 senior South Australian public sector employees on a four-day pilot study tour during April 2018. The pilot study tour is a component of the South Australian Public Sector Leadership Academy, and supports the SA-NT Strategic Partnership.

The 'Exchange of People and Information' is an enabler within the SA-NT Strategic Partnership Agreement. The study tour was

supported by the NTPS under the auspice of this agreement.

The study tour included:

- briefings from CEOs and other senior NTPS employees who have responsibility for the strategic priorities that are included in the Strategic Partnership Agreement
- networking visits between the SA participants matched with counterpart agency employees in the NTPS, depending on areas of shared interest
- site visits to other NTG locations including Darwin Port and the Darwin Aquaculture Centre
- a visit to the Tiwi Islands.

The program provided positive outcomes for SA and NT staff involved in the NT visit, as counterparts developed a shared understanding of the challenges faced by similar departments. It has enabled immediate benefit in sharing ideas/initiatives and establishing professional relationships that will be beneficial into the future.

Feedback on the program included:

- "The visit with counterparts was very helpful – we are grappling with some similar issues and it was useful to find out how a different system is tackling improvement challenges."
- "We were able to share information about the strategic reforms underway in both jurisdictions following Royal Commissions and the lessons that South Australia have learnt as they have progressed their reform."
- "We ... discussed the operational challenges facing the public service regarding our role ... and the day-to-day operations... The common challenges were recognised and ... managers benefited from the information exchange."
- "Input from NT colleagues was an invaluable part of the learning process. I appreciate the obvious effort/preparation involved and the open way challenges as well as opportunities and successes were shared."

- “The visit to Tiwi Island was inspiring – particularly the culture and community leadership.”
- “...an excellent working example of adaptive leadership and the challenges and different thinking needed.”

## Interjurisdictional Workforce Data Analytics Committee

The Interjurisdictional Workforce Data Analytics Committee was established in 2017 to bring together the work being undertaken across Australia in the area of evidence-based workforce planning. Membership of the committee includes the Public Service Commissions of all states and territories as well as the Australian Public Service.

In May 2018, SWPD hosted the committee meeting in Darwin to share initiatives and discuss broader workforce planning issues and challenges across the jurisdictions. The opportunity to network with practitioners from other states and consider the broader Australian context of workforce planning was extremely valuable and ongoing participation in the committee will enhance the work undertaken by SWPD.

## Priorities for 2018-19

The priorities for 2018-19 include:

- Delivery of the 2018 NTPS People Matter pulse survey and prepare for the delivery of the 2019 full survey.
- Implementation of the EmployAbility Strategy 2018-2022.
- Implementation of the NTPS Ageing Workforce policy framework.
- Implementation and joint management with DCIS of the Accredited and Non-accredited Training Panel Contract.
- Full implementation of the NTPS Middle Manager’s Development Framework.
- Delivery of leadership and capability development programs.

# WORKFORCE PLANNING AND DEVELOPMENT – ABORIGINAL EMPLOYMENT AND CAREER DEVELOPMENT

## Overview

AECD is responsible for driving the implementation of the IECDS 2015-2020 across the NTPS, which aims to achieve 16% Aboriginal employment, and 10% Aboriginal employee participation in senior/executive roles in the NTPS by 2020.

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

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

## The Themes

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

### Theme 1: Targets for Indigenous Employment and Participation

Ongoing commitment and leadership across the NTPS and at all levels of the organisation, including frontline, management, and executive levels, is essential if the objective of increasing and achieving sustainable Aboriginal employment, participation, and capability in the NTPS is to be realised. The IECDS will require a coordinated and collaborative approach to ensure effort is targeted and consistent.

### Theme 2: Engagement and Support

In order to welcome Aboriginal employees into the NTPS, agencies must build capabilities by creating learning and mentoring opportunities, and allowing Aboriginal employees to identify goals that will assist them reach their full potential.

### Theme 3: Attraction and Retention of Indigenous People

The NTPS must work with existing Aboriginal employees to innovate and develop culturally appropriate recruitment and retention strategies if we are to attract and retain future Aboriginal employees.

### Theme 4: Whole of Career Development to Build Capability and Careers

Allowing Aboriginal employees to access training and development opportunities and provide assistance to identify and facilitate career progression and pathways is critical to Aboriginal employees choosing how to build their careers in the NTPS.

## Implementation

During 2017-18, AECD presented and participated in various conferences and forums at the local and national level, including:

- Clontarf Employee Forum
- NT Skills, Employment and Careers Expo
- NTPS Aboriginal Employee Forums (Darwin and Alice Springs)
- 8<sup>th</sup> Indigenous Economic Development Forum
- Aboriginal Employment Public Sector Industry Cluster
- Local Decision-Making Cross-Jurisdictional Forum
- ANZSOG Indigenous Public Servants Roundtable.

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

## NTPS Aboriginal Employee Forum

OCPE hosted the third NTPS Aboriginal Employee Forum in Darwin over two days on 7-8 November 2017. The Forum is a key initiative with the IECDS, under theme three 'Attraction and retention of Indigenous people'.

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

The Forum facilitated a series of workshops on retention, career development, and work/life balance; and a presentation from DCM on Local Decision Making and the Department of the Attorney-General and Justice on the NT Aboriginal Justice Agreement.

There were 88 Aboriginal employees who attended the Forum and represented various agencies, classifications, and locations across the NT.

OCPE hosted the fourth NTPS Aboriginal Employee Forum in Alice Springs over two days on 16-17 May 2018.

There were 86 Aboriginal employees in attendance from a range of agencies across the NT. The Forum facilitated a series of workshops on mental health first aid, employment and career development strategy refresh, and middle managers matter; as well as showcasing and launching the OCPE Cross-Cultural E-Learn.



Darwin Aboriginal Employee Forum, November 2017





Alice Springs Aboriginal Employee Forum, May 2018

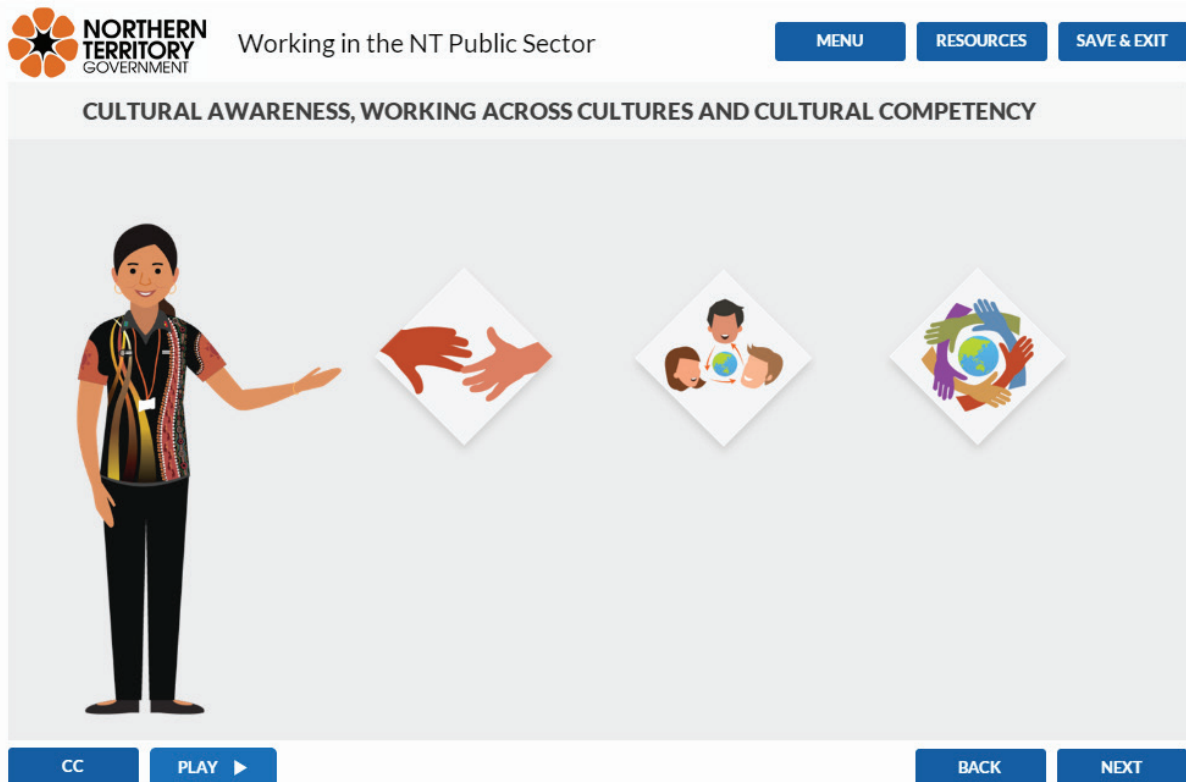
## NTPS Cross-Cultural E-Learn

The AECD developed a Cross-Cultural E-Learn – Foundational Story to support the NTPS Cross-Cultural Training Framework and went live through the Department of Health Mylearning website on 21 June 2018.

The E-Learn is for new NTPS employees and is an additional resource to agencies' existing

tailored cross-cultural training programs and is intended to be completed prior to undertaking the agency face-to-face training. This will provide new employees with a basic insight into cross-cultural awareness, which may encourage more in-depth conversations and learnings through face-to-face training. A screen shot of the NTPS Cross-Cultural E-Learn can be found at Figure 7.

Figure 7 –NTPS Cross-Cultural E-Learn



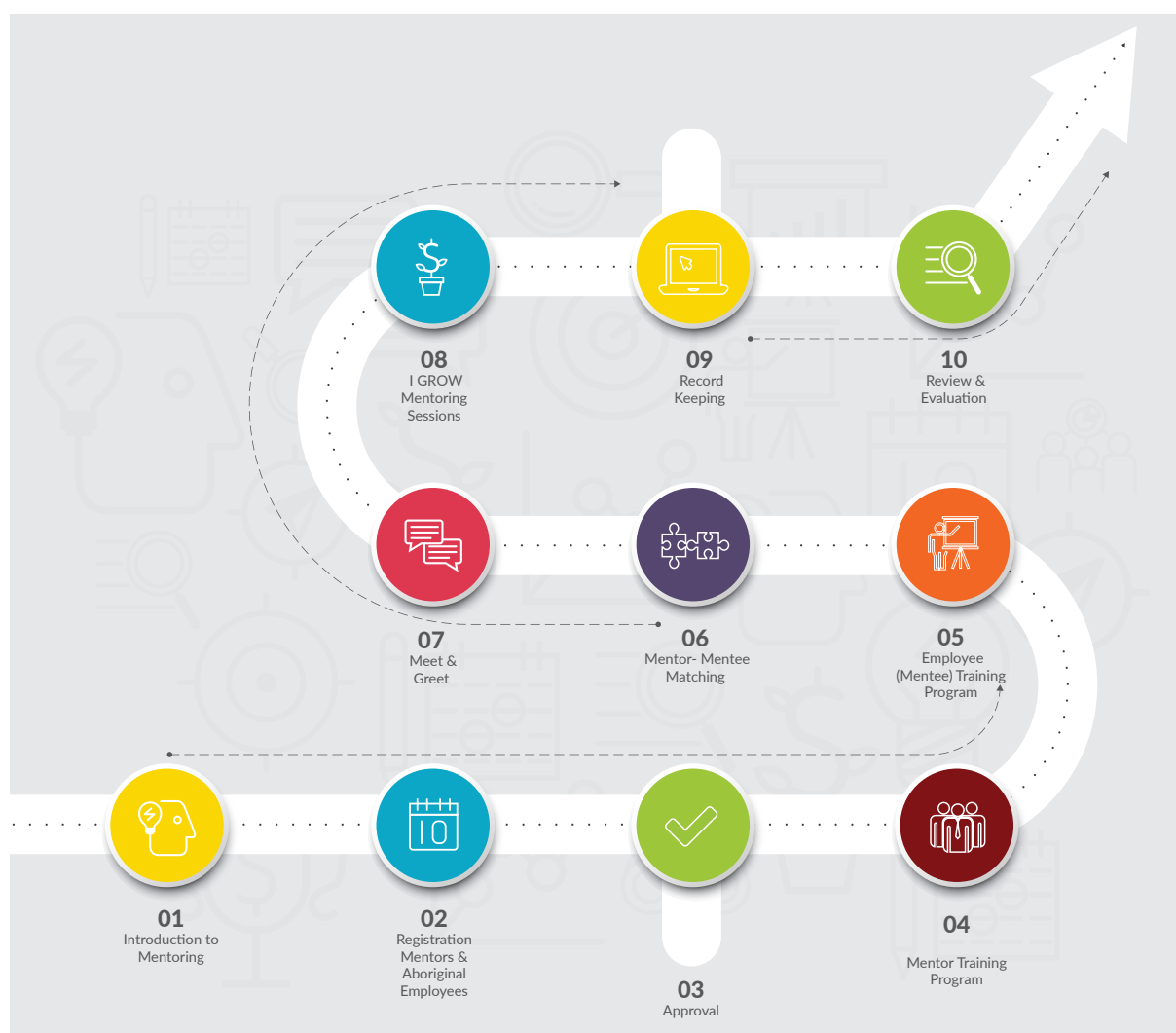
## NTPS Aboriginal Employee Mentoring Program

The Aboriginal Employee Mentoring Program was designed and developed in consultation with AECD with a strong focus on mentoring in a Cross-Cultural context, more specifically to Aboriginal culture in the NT. The training program will be utilised to train both mentors and mentees who participate in the NTPS Aboriginal Employee Mentoring Program.

The Aboriginal Employee Mentoring Program is driven by IECDS themes 2 and 3 with the purpose to support, retain, encourage participation, build capabilities, and develop Aboriginal employees in careers in the NTPS.

The journey begins with an introduction to mentoring and takes a track that stops at meeting places along the way to enable Aboriginal employees to grow through the support of mentors, as detailed in Figure 8.

Figure 8 – NTPS Aboriginal Employee Mentoring Program



## Monitoring and Reporting

### DCIS IECDS Report

The IECDS Report is produced on a quarterly basis by the DCIS HR Reporting Team. This report is used as the main source of data, in conjunction with other existing reporting frameworks such as agency annual reports and the NTPS State of the Service Report.

### IECDS Annual Progress Report

The IECDS Annual Progress Report is published in April of each year on the anniversary of when the strategy was launched.

The third annual progress report was published in April 2018 and is available from the OCPE website. The report outlines the work achieved by OCPE over the past 12 months and provides a summary of each key action under the four key themes.

Agency progress on their responsibilities under the IECDS will be reported through their own annual report, as well as through the IECDS Implementation Survey and State of the Service Report.

## Priorities for 2018-19

The priorities for 2018-19 include:

- Monitor agencies' progress towards the 2020 targets.
- Develop a Career Development Framework for Aboriginal employees, which focuses on retention, professional development, and career progression.
- Review and refresh the IECDS.
- Develop an all of government exit interview policy and procedure.
- Organise an annual NTPS Aboriginal Employee Forum in Darwin and Alice Springs.
- Continue to provide guidance and support to agencies in the development and promotion of programs and initiatives to increase Aboriginal employment across the NTPS.
- Continue to meet and support the AECD Champions, Resource, and Senior Aboriginal Reference Groups.



# PUBLIC SECTOR APPEALS AND GRIEVANCE REVIEWS

Appeals

Grievances

Special Measures

Selection and Recruitment

PSA&GR has four main functions:

- Conduct promotion, disciplinary, and inability appeals pursuant to sections 59A to 59G of PSEMA.
- Provide employees with an independent and impartial review of agency actions, inactions and decisions through the grievance review process set out in section 59 of PSEMA.
- Provide advice, assistance and education to agencies in the implementation and operation of special measures recruitment plans to promote equality of employment opportunity.
- Develop, administer, and provide education on NTPS Simplified Recruitment policy and procedures.

PSA&GR's objective is to ensure merit, equity, and fairness prevail in NTPS management through effective, impartial and independent delivery of its four functions.

## Public Sector Appeals in 2017-18

The PSAB is an independent body created under sections 59A to 59E of PSEMA, and located, for administrative purposes, within the PSA&GR Division of OCPE.

The CPE appoints a chairperson for each appeal, and has appointed the Director PSA&GR as the standing Chairperson of the PSAB. The other two members for each appeal board are selected by the relevant agency and union. To be eligible for selection as a PSAB member for disciplinary or inability appeals, the agency and union nominees must have participated in formal training or have relevant experience or qualifications

equivalent to that provided in the formal training.

Section 59E of PSEMA provides broad and flexible options for the PSAB, stating that it may:

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

On returning a matter to a CEO for reconsideration, the PSAB may give any directions it thinks fit as to how the matter is to be dealt with.

The PSAB must provide written notice of its decision and the reasons for it.

## Promotion Appeals

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

Promotion appeals can only be made by existing employees, in situations where

the selection is a promotion for both the appellant and the provisional promotee.

No ground of appeal is specified in PSEMA, however the test applied by the PSAB is whether the selection decision was consistent with the merit principle as defined in PSEMA.

## Promotion Appeals Statistics

Figure 9 – Number and Percentage of NTPS Promotions Appealed

Year	Promotions	Promotion Appeals	%
2012-13	961	65	6.8%
2013-14	1147	53	4.6%
2014-15	1349	55	4.1%
2015-16	1412	40	2.8%
2016-17	1264	31*	2.5%*
2017-18	1134	33	2.9%

\*Change to the number, which was incorrectly reported last year.

## Promotion Appeals Timelines

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

In 2017-18 the average completion time for a promotion appeal was 5.7 weeks. This compares with an average completion time in the previous year of 5.3 weeks.

Figure 10 – Summary of Promotion Appeal Outcomes

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

## Disciplinary and Inability Appeals

Disciplinary and Inability appeals are conducted by the PSAB in accordance with section 59A and section 59C through to section 59G of PSEMA and Regulations 8-10 and 12-15.

In 2017-18 four new disciplinary appeals were received, and two carried over from the previous year. Of those six disciplinary appeals, two were withdrawn by the Appellants, two remain open to be determined in 2018-19, and two were finalised.

In one of the two disciplinary appeals finalised by the PSAB this year, the PSAB affirmed the CEO's decision that there had been breaches of discipline, but varied the disciplinary action to a caution and a monetary fine, rather than the transfer at level which the CEO had directed. In the other disciplinary appeal determined by the PSAB, the finding that the Appellant had committed breaches of discipline was entirely set aside, and the matter returned to the CEO with directions to the CEO to correct, in so far as was possible, the effect of the

disciplinary action on the Appellant, and to address other issues within the workplace identified through the appeal process.

Two new inability appeals were received during 2017-18 and one was carried over from 2016-17. The inability appeal carried over was settled by agreement between the parties, and the two new ones remain open to be determined in 2018-19.

### Disciplinary and Inability Appeals Timelines

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

In 2017-18 the average time taken to finalise disciplinary and inability appeals has been 6.5 months.

## Disciplinary and Inability Data

Figure 11 – Summary of Disciplinary and Inability Appeal Outcomes

Outcome of Appeal	2013-14		2014-15		2015-16		2016-17		2017-18	
	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability	Disciplinary	Inability
Affirm the decision		1		1	2	1		1		
Vary the decision	2								1	
Set aside the decision and replace it with the PSAB's decision			1				1			
Settled										1
Withdrawn					1		2		2	
Set aside the decision							1			
Set aside the decision and return the matter to the CEO for reconsideration									1	

## Section 59 Grievance Reviews 2017-18

Pursuant to section 59 of PSEMA, employees aggrieved by their treatment in employment may request the CPE to review the action, intended action, or decision of the agency.

## Section 59 Grievance Reviews Statistics

### Grievances Received

In 2017-18 a total of 99 new grievances were received by PSA&GR, compared with 89 in 2016-17.

The grievance review unit utilises a flexible, outcome-focused approach to handling grievances, concentrating, when possible, on achieving resolution through discussion, negotiation, and mediation. As a result, many grievances are resolved at early stages, without the CPE having to make a specific direction. In 2017-18 there was one instance where the CPE was required to direct an agency to change the agency decision or to take another action. However, in a number of other grievances, although the CPE did confirm the agency action, he also included comments or advice for improvement in the agency's handling of the matter.

Figure 12 – Outcomes of Section 59 Grievance Reviews

Outcomes	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Agency directed to take/refrain from taking action	6	2	3	3	0	1
Agency action confirmed	15	37	41	6	34	27
Agency action confirmed with comment from the CPE	13	17	6	5	1	15
Resolved through PSA&GR involvement	46	27	69	50	24	24
Being handled by the agency	10	11	11	9	10	8
Declined to review (eg out of time, no jurisdiction, non-employee)	7	1	4	2	8	9
Withdrawn	9	11	17	6	3	15
On hand at the end of the period	9	15	4	5	13	15
<b>Total handled</b>	<b>115</b>	<b>121</b>	<b>155</b>	<b>86</b>	<b>93</b>	<b>114</b>

### Timeliness in Handling Grievances

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

During 2016-17 the time taken to resolve a section 59 grievance was, on average, 1.4 months, well within the statutory timeframe. In 2017-18 this timeframe increased to an average of 2.1 months, an increase attributed to staff resourcing issues.

Timeliness for grievances is also measured by counting the number of individual grievances that took more than three months, as well as the overall average. This measure showed that, of the 114 total grievances handled in 2017-18, 19 took longer than three months to finalise. This equated to 83% of grievances completed within the statutory timeframe, which is below PSA&GR's target of 90%, and the result in 2016-17 of 88%. Again, the increased time taken to finalise grievances in 2017-18 is attributed to staff resourcing issues.

## Most Common Issues Raised in Grievances

The most common issues raised in grievances in 2017-18 were, in order of prevalence:

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

Figure 13 – Comparison by Year of the Reasons for Section 59 Grievance Reviews

Reasons	2013-14	2014-15	2015-16	2016-17	2017-18
Management action or decision	50	55	27	32	24
Selection decision	56	73	36	18	39
Application of procedures and policies	0	2	5	3	3
Application of conditions of service	1	2	1	13	7
Agency handling of bullying	5	3	3	2	3
Termination of probationary employment	3	3	1	3	1
Termination of Executive Contract	0	0	0	1	3
Termination of Fixed-Term Employee	0	0	0	1	2
Bullying	2	6	2	0	1
Review of a disciplinary/inability decision	2	3	2	7	5
Unfair treatment	2	8	9	9	11
<b>Total handled</b>	<b>121</b>	<b>155</b>	<b>86</b>	<b>89</b>	<b>99</b>

## Special Measures Recruitment Plans

A special measure is a program, plan, or arrangement designed to promote equality of employment opportunity. The two groups that the CPE has identified as having not yet obtained equality of opportunity in employment within the NTPS are Aboriginal people and people with disability. During 2016-17 the CPE encouraged agencies to implement special measures recruitment plans within their agencies to benefit these groups.

The two most common types of special measures recruitment plans are:

- Designated Positions  
The agency specifically designates a

vacancy for a person from a special measures group and it can only be filled by a person from that group. This type of plan is often used in relation to people with disability, or in occupations where the services are better provided, for cultural or other reasons, by persons from the special measures group – for example Aboriginal Health Workers or Interpreters

- Priority Consideration and Preference in Selection

In these plans applicants from the special measures group are considered first before all other applicants and selected if they meet all the essential selection criteria and are suitable at the level of the position. At the discretion of the agency, priority plans can apply to all advertised vacancies or to only some vacancies.

Eleven NTPS agencies have in place a priority preference recruitment plan for Aboriginal applicants for all advertised vacancies. These agencies are:

- Department of the Chief Minister
- Department of Corporate and Information Services
- Department of Education
- Department of Health
- Department of Housing and Community Development
- Department of Tourism and Culture
- Department of Trade, Business and Innovation
- Office of the Commissioner for Public Employment
- Police, Fire and Emergency Services (for NTPS vacancies)
- Power and Water Corporation
- Territory Families

A number of other agencies have implemented special measures plans applying only to some vacancies, as decided by the agency. However, data suggests that this is not an effective approach, and tends to result in very few vacancies being advertised under special measures, and a poor understanding in the agency about the special measures process.

## Reviews of Unsuitable Findings for Aboriginal Special Measures Applicants

Employment Instruction 15 on Special Measures requires that selection panel findings of unsuitability of Aboriginal special measures applicants must be reviewed and approved by OCPE prior to the panel progressing to assessment of other applicants. The process is that the panel must forward the finding to PSA&GR who have committed to completing the reviews within five working days of receiving the panel report and required information.

## Timeliness and Outcomes of Reviews of Unsuitable Findings

During 2017-18, PSA&GR reviewed 1686 selection panel decisions finding an Aboriginal special measures applicant unsuitable. Of these, 1618 were approved at the outset, and 68 (approximately 4.2%) were returned for further assessment and consideration by the panel.

The average completion time for the 1686 reviews conducted in 2017-18 was 1.5 days, with 14 taking longer than the five working days target.

## Simplified Recruitment and Selection Panel Training

### Simplified Recruitment

Simplified Recruitment, providing uniform NTPS recruitment and selection policy and procedures, was implemented on 1 June 2015, to streamline and improve the quality of NTPS selection processes.

There have been excellent results, with recruitment times initially dropping by more than 50%, from 106 days to 50 days, and a significant drop in appeals and grievances about selections, and positive feedback from applicants and selection panels alike.

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

- All selection panel members must have received approved training in Simplified Recruitment.
- Applications for vacancies are limited to only a one-page summary application sheet with an attached detailed resume (ie no more addressing lists of selection criteria).
- Emphasis in selection is placed on proven workplace performance as verified by referees and work samples (rather than heavy reliance on performance in the selection process itself through



interviews).

- Assessment process commences with referee checks conducted by the whole selection panel starting with the front-running applicants.
- Interviews of applicants are the exception rather than the rule, and do not follow a practice of asking a set of identical questions, but rather are an opportunity to discuss the role and explore matters specific to the applicant.
- Selection processes are to be completed within six weeks unless there are unusual circumstances.
- At the completion of a selection, every applicant receives a SOAFAA (Selection Outcome Advice for All Applicants), which provides a detailed summary of the merit of the selected applicant including work history, education, qualifications, experience, and information as to who the referees were and information they provided. The intention in providing the SOAFAA is to provide transparency and better understanding as to the basis for selection decisions, in order that applicants can be assured that the selection was based on merit, and can do a 'self-comparison' to the selected applicant. The provision of the information in the SOAFAA has been the biggest contributor to a drop in complaints about selection decisions.

## Selection Panel Training

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

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

In total, more than 6850 NTPS employees have received in-person training in merit selection, and satisfaction ratings relating to all aspects of the Merit Selection training course is consistently very high, at over 90%.

PSA&GR has also developed an online Merit Selection eLearning package, which is available free of cost to all NTPS employees.

## Priorities for 2018-19

The priorities for 2018-19 are:

- Continue to provide high quality advice, education, and training in relation to Simplified Recruitment and Special Measures.
- Continue to provide timely, high quality appeal and grievance handling services for the NTPS.
- Continue to administer Special Measures in the NTPS, including providing advice, education, training, and a review function.
- Update and re-order the PSA&GR information on the OCPE Website.
- Update and improve the eLearning Simplified Recruitment Training.
- Develop and distribute a survey of both applicants and selection panels to obtain data about Simplified Recruitment.
- Conduct a review of NTPS special measures recruitment plans to be completed within 2018-19.



# OCPE REPRESENTATION IN CENTRAL AUSTRALIA

## Overview

In Central Australia, the CPE is represented by the Director of Regions in DCIS. The Director also represents OCPE's business divisions in the southern region.

Activities undertaken in Central Australia on behalf of the CPE in 2017-18 were:

- Assist in implementing government policies
  - provided advice and assistance to managers and employees as required.
- NTPS employment
  - participated in the Alice Springs careers expos.
- Strategic HR advice
  - employee relations advice provided to both managers and employees, including those in remote localities
    - worked with agencies to resolve employee disagreements.
- Regional redeployment and redundancy function
  - provided advice and assistance to managers and employees as required.
- Whole of industry workforce policy coordination
  - chaired the Strategic Workforce Issues

Action Group (regional HR Managers group), including enterprise bargaining briefings, provided briefings on new initiatives and policies, discussed various HR/ER/IR issues, and represented OCPE on various other committees and networks.

- Promotion appeals and grievance reviews
  - provided advice and assistance to managers and employees as required.

## Priorities for 2018-19

The priorities for 2018-19 include:

- Continue work to identify specific regional and remote workforce issues that need addressing.
- Assist with working towards standardising merit selection practices and the Simplified Recruitment process across the NTPS.
- Assist with providing high quality advice on special measures plans.

# KEY PERFORMANCE INDICATORS

## Overview

The Employment Services Output Group, as set out in NT Budget Paper No. 3, has three outputs:

- Employee and Industrial Relations
  - ER
- Workforce Planning and Development
  - SWPD
  - AECD
- Public Sector Appeals and Grievance Reviews
  - PSA&GR

## Key Performance Indicators

The KPIs for OCPE include:

- Feedback from stakeholders on the services provided by OCPE.
- Percentage of NTPS employees who identify as Aboriginal or having a disability.
- Number of NTPS employees completing OCPE leadership and capability development programs.
- Participant rating of satisfied or higher with OCPE professional development events.
- Grievance reviews finalised within three months.
- Promotion appeals finalised within six weeks.
- Disciplinary and inability appeals finalised within three months.
- Special measures reviews of unsuitable findings finalised within five days.

## Agency Feedback – Stakeholder Satisfaction Survey

For the 2017-18 financial year, OCPE sought feedback on its KPIs for the Employment Services Output Group. A stakeholder satisfaction survey was sent to agency CEOs giving them the opportunity to comment on:

- the level of satisfaction with the services provided to their agency (ER, SWPD, AECD, and PSA&GR)
- the level of satisfaction with the timeframes in which services were provided to their agency (ER only).

Of the 22 agencies from which feedback was sought, 13 agencies provided feedback, with a total of 79% indicating that they were 'satisfied' or 'very satisfied' with the services provided to their agency by OCPE.

The results are detailed in Figures 14 to 18.

## Employee and Industrial Relations

Eleven of the 13 agencies that responded to the survey indicated they had utilised the services of ER. Feedback from these eleven agencies is presented in Figures 14 and 15.

Figure 14 – Agency Level of Satisfaction with the Services Provided by ER

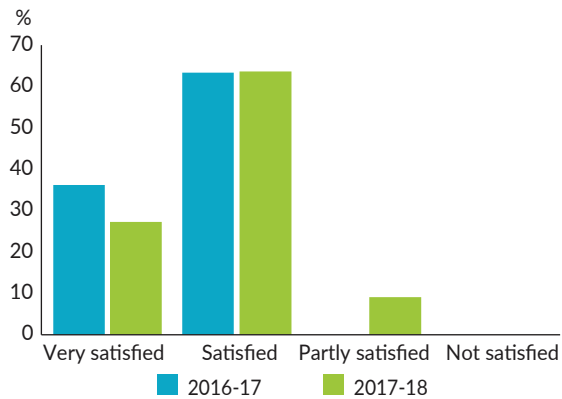
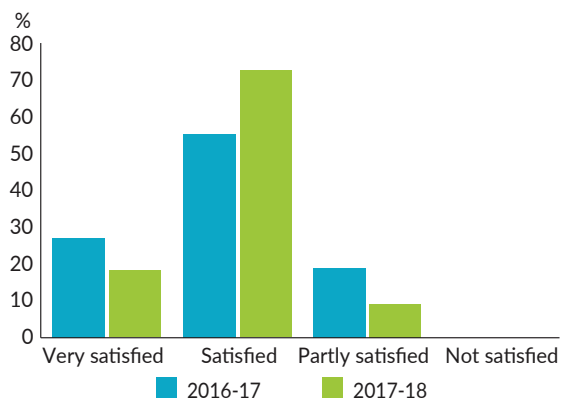


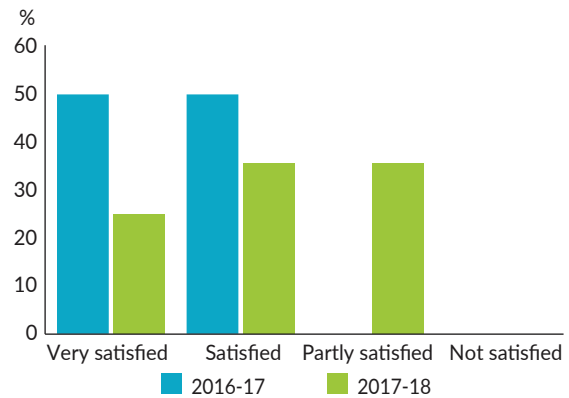
Figure 15 – Agency Level of Satisfaction with the Timeframes in which Services were Provided by ER



## Workforce Planning and Development – SWPD

Eight of the 13 agencies that responded to the survey indicated they had utilised the services of SWPD. Feedback from these eight agencies is presented in Figure 16.

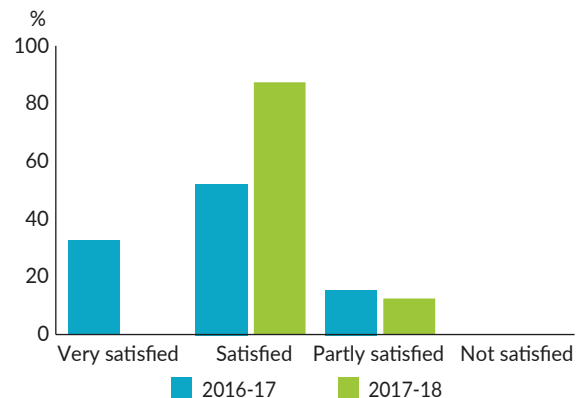
Figure 16 – Agency Level of Satisfaction with the Services Provided by SWPD



## Workforce Planning and Development – AECD

Eight of the 13 agencies that responded to the survey indicated they had utilised the services of AECD. Feedback from these eight agencies is presented in Figure 17.

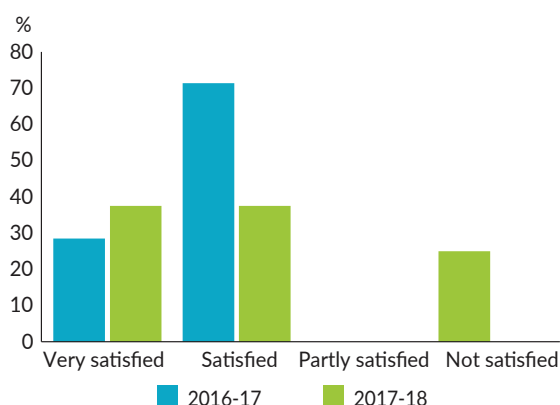
Figure 17 – Agency Level of Satisfaction with the Services Provided by AECD



## Promotion, Disciplinary and Inability Appeals and Grievance Reviews

Eight of the 13 agencies that responded to the survey indicated they had utilised the services of PSA&GR. Feedback from these eight agencies is presented in Figure 18.

**Figure 18 – Agency Level of Satisfaction with the Services Provided by PSA&GR**



## Percentage of NTPS Employees who Identify as Aboriginal or Having a Disability

At 30 June 2018:

- PIPS records indicate that 10.4% of NTPS employees identified as Aboriginal, just 3.1% short of the 13.5% listed in the KPI.
- PIPS records indicated that 1.1% of NTPS employees identified as having a disability, just 0.4% short of the 1.5% listed in the KPI. However, data from the People Matter survey indicated that 4% of NTPS employees identified as having a disability, this exceeds the 1.5% listed in the KPI.

## Number of NTPS Employees Completing OCPE Leadership and Capability Development Programs

A total of 530 NTPS employees completed OCPE leadership and capability development programs, exceeding the KPI of 400 NTPS employees.

## Participant Rating of Satisfied or Higher with OCPE Professional Development Events

Of the 530 NTPS employees who completed an OCPE leadership and capability development program, a total of 92.2% of participants rated the professional

development event as 'satisfied' or higher, just 2.8% short of the >95% listed in the KPI.

## Grievance Reviews Finalised within Three Months

The average time taken to resolve a section 59 grievance was 2.1 months, which is within the three months target stated in the KPI.

When counted by individual grievances rather than on average, out of a total of 99 grievances finalised in 2017-18, 24 took longer than three months. This equates to 75% finalised within the KPI timeframe, 15% below the 90% target stated in the KPI. This difference is attributed to the unit being under-staffed during much of 2017-18.

## Promotion Appeals Finalised within Six Weeks

The average completion time for a promotion appeal was 5.7 weeks, which is within the six weeks target stated in the KPI.

## Disciplinary and Inability Appeals Finalised within Three Months

The average completion time for disciplinary and inability appeals in 2017-18 was 6.5 months and none of the six disciplinary and inability appeals finalised in 2017-18 were completed within the three-month KPI timeframe. This was largely due to the practice of granting requests by the parties for adjournments or further time to make submissions.

## Special Measures Reviews of Unsuitable Findings Finalised within Five Days

A total of 1686 Special Measures reviews were conducted in 2017-18, with 1672 completed within five days. This equates to 99% finalised within the KPI timeframe, reaching the >98% listed in the KPI.


The average completion time for the 1686 reviews was 1.4 days.





4

# CORPORATE AND GOVERNANCE OUTPUT GROUP







# CORPORATE AND GOVERNANCE

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## Overview

The strategic objective of the Corporate and Governance Output Group is to ensure OCPE is positioned to meet its governance and statutory obligations. This is achieved through a range of functions including governance, financial services, human resource management, information and communications technology, audit and risk services, and communications and media.

For the purpose of this annual report, the activities of the Corporate and Governance Output Group will be reported on under the headings of Governance Framework, Our People, and Financial Statements.

## Priorities for 2018-19

The priorities for 2018-19 are:

- Continue maintaining seamless corporate services with DCM under the existing shared services arrangement.
- Reinvigorate the OCPE staff intranet to support improved internal communications.

# GOVERNANCE FRAMEWORK

## Overview

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

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

It is about both performance and conformance, and also encompasses the important role of leadership in ensuring sound governance practices are applied within OCPE and across the NTPS.

Primary responsibility for the governance of OCPE rests with the OCPE Management Board.

## Shared Services Received

Under a shared services arrangement, DCM provides the full range of corporate services to OCPE on a fee-for-service basis, including:

- corporate governance
- procurement support services

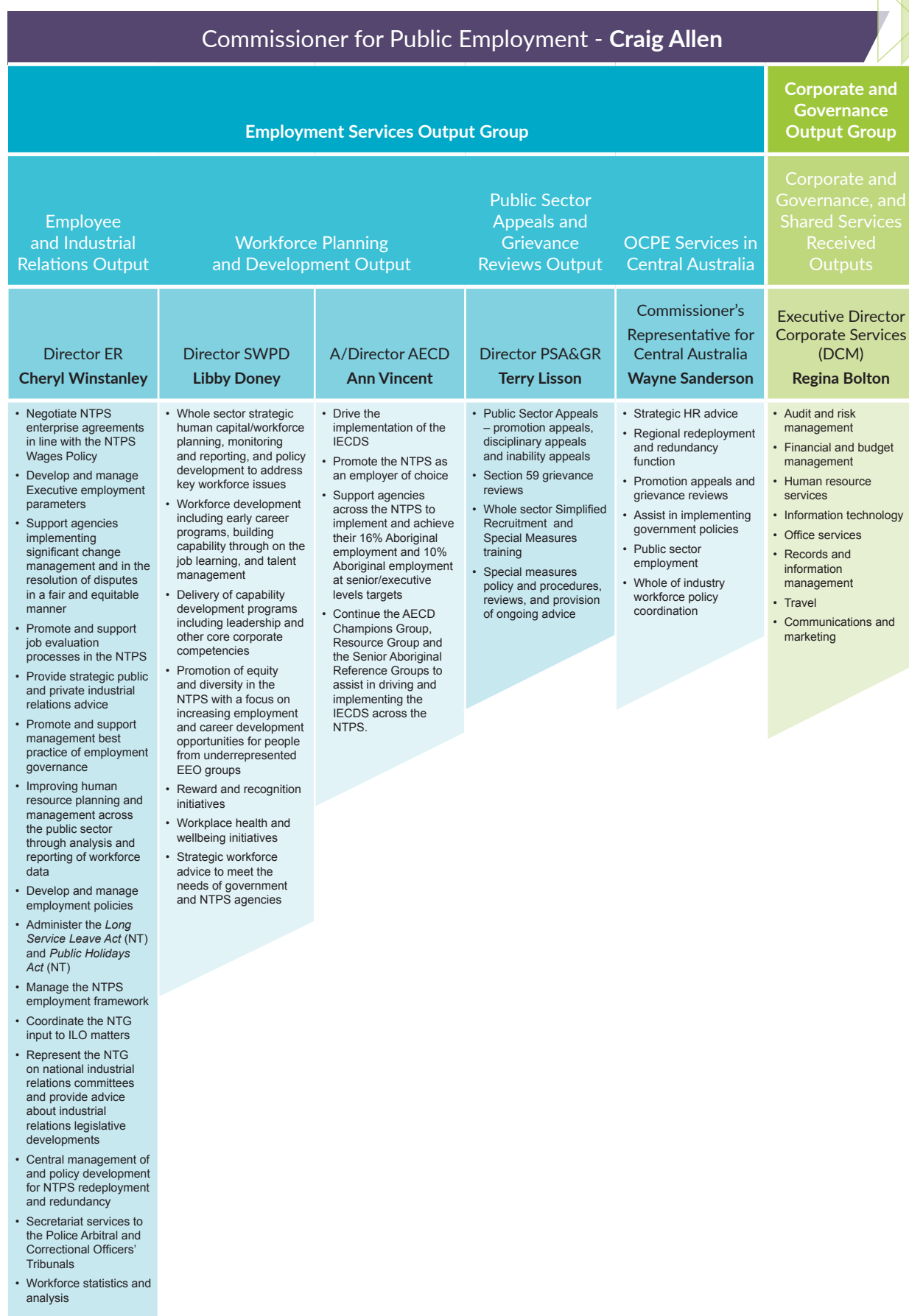
- office services
- financial and budget management
- travel compliance
- human resource management
- records and information management
- information technology
- a service level agreement to guide communications and marketing, currently under development.

Under the shared services arrangement with DCM, the Executive Director, Corporate Services is also a member of OCPE's Management Board. The Executive Director also represents OCPE or the CEO of OCPE on various interagency coordination forums.

## Organisational Structure

OCPE consists of six business divisions that deliver outputs as contained in the 2017-18 NT Budget Paper No. 3. Figure 19 illustrates the high-level management and operational structure as at 30 June 2018.

Figure 19 – Organisational Structure



# Management Board

## Purpose

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

- ensuring OCPE has clearly established goals and objectives
- ensuring strategies for achieving those goals and objectives are appropriate and understood by management and staff

- monitoring quality control systems and, where necessary, implementing corrective action to improve systems and performance.

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

## Membership

Management Board members at 30 June 2018 were:



### Craig Allen

#### Commissioner for Public Employment

Craig joined the NTPS in 2014 after holding a range of senior management positions for more than 20 years, with a government career spanning more than 37 years.

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

His last position was with the Queensland Government as the Assistant Director-General, Department of Education Training and Employment from July 2009 where he was responsible for strategic and corporate leadership in the management of the department's human resources.

Prior to that, he held the position of Executive Director, Corporate Services, Queensland Department of Corrective Services.

Craig has tertiary qualifications with a Bachelor of Education from the Tasmanian College of Advanced Education and post-graduate qualifications in public administration from Flinders University.

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## Cheryl Winstanley

### Director Employee Relations

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



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## Camille Lew Fatt

### Director Aboriginal Employment and Career Development

(1 July 2017 - 2 March 2018)

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





## Ann Vincent

### Acting Director Aboriginal Employment and Career Development

(3 March 2018 – 30 June 2018)

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



## Libby Doney

### Director Strategic Workforce Planning and Development

Libby has a diverse career history spanning the private, not-for-profit, and public sectors. With a Bachelor of Business, a Graduate Certificate in Public Sector Leadership and a Master of Public Governance, her background is in adult education, policy development and implementation, workforce capacity development, and program management. Libby has extensive experience working in cross-cultural contexts within Australia and internationally. She has held various senior policy officer and program management/implementation roles, as well as managing an international engagement program for an Australian peak body.





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## Terry Lisson

**Director Public Sector Appeals & Grievance Reviews**  
(returned 1 January 2018)

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



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## Fiona Roche

**Acting Director Public Sector Appeals & Grievance Reviews**  
(1 July 2017 – 31 December 2017)

Fiona commenced her public sector career with OCPE in 1981 and has experience in a number of roles including the Secretary to PSA&GR and Corporate Manager for many years. Fiona left OCPE to work in the HR areas of a variety of NTPS agencies and returned to OCPE to fill the role while Terry Lisson was on leave. She has a social science degree, majoring in counselling, and enjoys working in the area of complaint management.



## Wayne Sanderson

### Commissioner's Representative for Central Australia

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

In 2003 Wayne moved to Alice Springs and took on the role of Investigator and Indigenous Liaison Officer with the Office of the Ombudsman NT.

In 2005 he transferred to the Department of Justice as the Senior Licensing Inspector and regularly acted in the Deputy Director's role.

In 2012 Wayne took on the role of Regional Manager Shared Services Client Liaison with DCIS. From October 2013 Wayne regularly acted in the Director Regions role, which included functioning as the Commissioner's Representative for Central Australia. In November 2014 Wayne was appointed to the Director Regions role. Wayne has vast experience in senior management positions across the public sector. Wayne has completed a Bachelor of Justice and Society (Flinders University), a Masters Degree in Indigenous Knowledges (Charles Darwin University) and a Professional Certificate in Management (Adelaide University).





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## Regina Bolton

**Executive Director Corporate Services, DCM  
(8 January 2018 – 30 June 2018)**

Regina recently joined the NTPS following four years of consulting – supporting large Commonwealth departments to plan and deliver complex transformation programs.

Regina held a range of senior management positions within the Australian public service for eight years, and most recently managed corporate services for the Office of Transport Security (OTS), which involved developing the OTS three-year strategy and building OTS' portfolio management capability before managing the machinery of government change to the Department of Home Affairs.

Regina is passionate about improving and connecting corporate 'systems' – strategy, governance, capability, and technology to enable organisations to operate efficiently, and effectively deliver priority initiatives and measure quantifiable benefits.

Prior to her government experience, Regina performed business development and corporate roles in the private sector. Her qualifications include a Bachelor of Communications, specialising in Marketing and Public Relations and she is a PRINCE2 and MSP Practitioner.

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## Robert Csar

**A/Executive Director Corporate Services,  
DCM (1 July 2017 – 7 January 2018)**

Robert joined DCM in September 2014 as the Director Corporate Services and acted as the Executive Director between February 2017 and early January 2018. This role oversees the provision of corporate services to OCPE under a shared services arrangement that includes human resource, finance, audit and risk management, information technology, and office and records management services to both agencies.

Robert joined the NTPS early in 2004 in the Financial Management Group of the then NT Department of Treasury with extensive corporate and finance experience gained in a number of industries. In early 2009 Robert returned to the Financial Management Group as the Director of Financial Reporting after a 15-month period with the Department of Defence – Airforce Headquarters in Canberra. He was the Director for four years prior to taking up the role of the Chief Financial Officer for the Power and Water Corporation for 12 months, prior to commencing with DCM.



## Sub-Committees

The Management Board is supported by the following subcommittees.

### Audit and Risk Management Committee

In June 2013, OCPE's Management Board agreed to create a joint ARMC with DCM. The ARMC provides independent and objective advice and assistance to the CPE on the effectiveness of OCPE's risk, control and compliance frameworks, and the financial reporting responsibilities.

ARMC's functions and responsibilities include:

- Monitoring strategic, reputational, corporate and operational risk management, and the adequacy of the internal controls established to manage identified risks.
- Monitoring the adequacy of the internal control environment, and reviewing the adequacy of policies, practices, and procedures in relation to their contribution to, and impact on, OCPE's internal control environment.
- Reviewing financial statements and other public accountability documents (such as annual reports) prior to their approval by the CPE.
- Monitoring the internal audit function (including development and implementation of the annual internal audit plan, coordination of audit assignments, and monitoring of internal audit findings, including management's responses to and implementation of the audit recommendations).
- Monitoring the NT Auditor-General's audit program and audit findings (including the reports to the NT Legislative Assembly and OCPE's responses to, and implementation of, the audit recommendations).
- Commenting on the state of organisational governance within the scope of the ARMC's Charter in the areas of OCPE's risk management framework, the internal controls framework and external accountability.
- Within the context of the ARMC's purpose, undertaking any other functions determined from time to time by the CPE.

## Membership

Independent Chair:	John Cossons	
Members:	Tarrant Moore	Director, Budget Development, Department of Treasury and Finance
	Libby Doney	Director, SWPD, OCPE
	Maria Mohr	Deputy Chief Executive Officer, DCM
Observer:	Regina Bolton	Executive Director, Corporate Services, DCM

### Key Outcomes

ARMC met five times during the year and key outcomes from meetings included:

- Monitoring the 2017-18 risk profile through the Management Board's Risk Register, the Gifts and Benefits Register and the Internal Finance Controls Report.
- Monitoring development of the Fraud Assessment Register following the NT Auditor-General's May 2017 report on selected agencies' fraud assessment frameworks.
- Monitoring implementation of the 2017-18 Internal Audit Plan.



- Reviewing the annual report, financials, and State of the Service Report; and providing comment to the CPE.
- Reviewing the audit reports and monitoring management's implementation of audit recommendations conducted under OCPE's internal and external audit programs, as detailed in Figures 20 and 21.

In addition to the five meetings held during the year, ARMC met to review OCPE's risk and audit activities during 2017-18, including the April to June quarter, and advised the CPE that OCPE could demonstrate an adequate internal audit capacity in 2017-18 for the purpose of the annual report's transmittal letter (Letter to the Minister).

## Internal Audit

Under the 2017-18 Internal Audit Plan, the audits and reviews conducted are detailed in Figure 20.

Figure 20 – Outcome of Internal Audits

Audit	Objective	Outcome
Fleet Pool Vehicles FBT Review	To assess the controls for managing the OCPE fringe benefit tax statutory obligations in relation to its fleet pool vehicles.	The review noted OCPE does not have pool vehicles and accordingly required no action.
Official Travel	To review OCPE's compliance against the NTG Travel Policy (and Framework) for the period 1 July 2017 to 31 March 2018.	The audit identified minor improvements with the aim of strengthening internal controls and improving efficiency.
PIPS Establishment Data Review*	To review OCPE's PIPS data against the approved organisation charts (including cost centre and structure codes) and also the JES*.	Based on the quality of the OCPE data in PIPS there were no recommended actions.
*The two planned PIPS reviews were combined: a review of data against the approved organisation charts; and a review of PIPS position data in relation to the JES.		
Procurement and Value for Territory Audit*	To test OCPE's compliance with the obligations set out under the Procurement Framework and performance required under the value for Territory assurance program.	The review of the OCPE general ledger identified no split or duplicate payments.
*The planned procurement audits (Tier 1, and Tier 2>) and VFT audit were combined.		One recommendation was made in regard to (Tier 1) ensuring staff confirm in writing they do not have a conflict of interest and clarification in relation to Rule 3 has been sought from Procurement Policy.



## External Audit

OCPE is subject to the NT Auditor-General's audit program under the powers and responsibilities established by the *Audit Act*.

In 2017-18, the Auditor-General selected OCPE for the audits and reviews listed in Figure 21.

Figure 21 – Outcomes of External Audits

Audit	Objective	Outcome
End of Year Review: 2016-17	To assess the adequacy of selected aspects of end of financial year controls over reporting, accounting and material financial transactions and balances with the primary purpose of providing support to the audit of the Treasurer's Annual Financial Statement (TAFS).	No significant matters were identified during the audit.
Agency Compliance Audit: 2017-18	To assess whether internal control systems include necessary features to ensure compliance with financial legislative obligations, in particular responsibilities under Treasurer's Directions and the Procurement Governance Policy and Rules and provide assurance they were being achieved by examining selected aspects of OCPE's systems.	One finding was issued in relation to the presentation of information in the fixed assets register and DCIS has been requested to include the additional fields in the OCPE register.

## Information Communication and Technology Governance Committee

The Information Communication and Technology (ICT) Governance Committee is a joint DCM and OCPE Committee. The role of the ICT Governance Committee is to establish and oversee the agencies' information and technology forward work

program to ensure the priorities identified in the 2018-2020 Strategic Plans' can be achieved. The ICT Governance Committee is required to provide unified and strategic direction, make investment recommendations to the executive management boards and foster an ICT culture for the agencies that is transparent, collaborative and results driven.

## Membership

Chair:	Regina Bolton	Executive Director Corporate Services, DCM
Members:	Andrew Jones	Chief Parliamentary Counsel, DCM
	Michelle Grantham	Cabinet Office and Secretariat Services, DCM
	Karen Vohland	Strategic Communications and Engagement, DCM
	Hayley Richards	Hydraulic Fracturing Implementation, DCM
	Jake Quinlivan	Regional Executive Director, DCM
	Robert Csar	Chief Financial Officer, DCM
	Cassandra Spiers	Chief Information Officer, DCM
Invitees:	Daya Smith	Principal Advisor SWPD, OCPE
	Mark Trobbiani	IT Director, DCIS
Secretariat:	Clifton Eliorda,	IT Manager, DCIS
	Kelly Garrett	Executive Assistant, DCM

## Workplace Health and Safety Committee

The WHS Committee is a joint DCM and OCPE Committee. OCPE is committed to protecting the health and safety of all its workers, contractors, labour hire workers, volunteers and others who may be affected by our business. Under the *Work Health and Safety (National Uniform Legislation) Act* (the Act), it describes officers as individuals who make, or participate in making, decisions that affect the whole, or a substantial part, of the business or undertaking of a public authority. Members of the Management Board are considered to be officers for the purposes of the Act. Ms Cheryl Winstanley, Director ER, is the OCPE representative on the committee.

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

## Improving Communication within the OCPE

Effective internal communication is important to OCPE. Following are initiatives used to enhance communication.

### Business Division Meetings

Division directors held regular meetings in 2017-18 to provide information and receive feedback on OCPE issues, as well as meeting on specific issues as the need arose.

### Sharing Information

OCPE has a strong corporate commitment to sharing information and OCPE officers are encouraged to adopt this collaborative approach to work. Management Board supports the dissemination of Management Board minutes and notes throughout OCPE for the information of employees.

## Community Engagement

The OCPE community includes all employees of the NTPS and their representatives, and a range of other stakeholders including unions, tertiary institutions, community organisations, and NT businesses and their employees.

Effective external communication is vital to OCPE. The CPE meets on a regular basis with CEOs and unions and maintains regular contact with Commissioners from other jurisdictions. Following are the key methods of external communication maintained during 2017-18.

## Human Resource Management and Development Committee

OCPE holds regular meetings with agency HR directors to obtain input into policy and programs and to ensure effective coordination in the implementation of HR policies and programs across the NTPS.

## Public Sector Consultative Council

The Public Sector Consultative Council includes representatives from agencies and unions, and meets twice each year to address NTPS HR issues.

## HR Community Newsletter

OCPE has a HR Community Newsletter that is sent out on a monthly basis. Subscription to the Newsletter is available to all NTPS employees, however, the Newsletter is aimed at agency HR areas.

## HR Forum

OCPE hosts HR forums for HR practitioners covering a range of topics on current issues and initiatives. Presenters include officers from the NTPS and external presenters.

## Internet

The OCPE internet site provides timely and relevant information to stakeholders. The site provides access to the latest updates, news and features, and links to programs, policies, and legislation.

## Annual Insurance Reporting Requirements

Under the Treasurer's Direction M2.1 Insurance Arrangements, agencies are required to detail the mitigation strategies and processes they have in place to reduce the likelihood or severity of their insurable risks.

Insurable risks are risks generally relating to workers' compensation, assets and inventories, public liability and indemnities. They exclude financial risks and legal costs in action.

In line with the NTG policy, OCPE self-insures for risk exposures under the categories of property and assets, public liability and indemnities. Figure 22 lists the insurable risk categories and their mitigation strategies.

Figure 22 – Self Insurance

Insurable Risk Category	Mitigation Strategies
Public liability	Repairs and maintenance program to reduce risks associated with physical assets Appropriate signage Education campaigns for staff and public using facilities
Assets and inventories	Asset registers were maintained for fixed, leased and portable and attractive items Vehicles regularly serviced and maintained
Indemnities	Risk assessments completed for all new arrangements

In March 2017, government approved implementation of a new framework for the management of the NTPS workers' compensation claims. Commencing in 2017-18, NTPS agencies pay an annual risk premium to the Department of Treasury and Finance into a stand-alone self-insurance fund within the Central Holding Authority.

During 2017-18, one vehicle was repaired due to damage. A comparison with the 2015-16 and 2016-17 data is detailed in Figure 23.

Figure 23 – Motor Vehicle Claims

	2015-16	2016-17	2017-18
Number of Vehicles	1	2	1
Value of Claims*	\$7,273	\$5,853	\$1,419
Average Cost of Claims	\$7,273	\$2,926	\$1,419

\* Value of claims includes motor vehicle accident repairs and cost of vehicles written off in accidents.

## Information

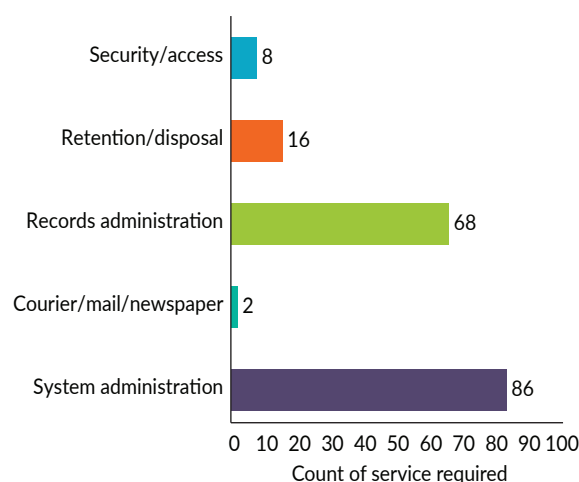
### Information and Communications Technology

OCPE operates within the standard NTG ICT environment, subscribing to outsourced services including desktop, messaging, telecommunications, and mainframe applications.

OCPE is also represented on the ICT Governance Committee, with Ms Daya Smith, Principal Advisor SWPD, the current standing representative. The Committee's 2018-20 ICT Forward Works Plan will see improved governance with the implementation of reviewed ICT policies, procedures and guidelines relevant to the agency, and ICT project templates and workflows.

AECD has successfully transitioned from storing information on the business network drives to operating fully electronically, editing and storing records in TRM. The project will be completed in 2018-19.

Figure 24 – Records Management Client Services



### Records Management

OCPE continues to operate in line with the requirements of the *Information Act*. Records and Archive Management standards are established through Part 9 of the Act and Section 131(2) requires agencies to report annually on their compliance with this Part. The number and type of client services provided to OCPE in 2017-18 is shown in Figure 24.

During 2017-18, a 'Transition to Territory Records Manager (TRM)' project commenced to move all OCPE divisions to an electronic document records management environment.

### Access to Information

The *Information Act* came into effect on 1 July 2003. The Act covers freedom of information issues, privacy, records and archives management, and affects how NTPS agencies collect, use, and store government and personal information.

In most cases, employees can obtain their own employment-related information held by OCPE more quickly under PSEMA, rather than applying for access under the *Information Act*.

## Applications under the *Information Act*

In 2017-18 there were no applications for access to information received. A comparison of the information requests and reviews is shown in Figure 25.

Figure 25 – Information Requests and Reviews

	2015-16	2016-17	2017-18
Requests for Information	1	3	0
Requests for Review	1	0	0
Requests Transferred	0	1	0

## Privacy

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

No privacy complaints were received in 2017-18.

# OUR PEOPLE

## Overview

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

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

## Our Vision

Our vision is to be a skilled, fair and creative public sector that provides the highest quality service to the Government and people of the Northern Territory.

## Our Values

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

Our values are:

- Commitment to Service
- Ethical Practice
- Respect
- Accountability
- Impartiality
- Diversity

## Public Sector Principles

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

In 2017-18 OCPE implemented processes to ensure all of the prescribed principles are observed. Figure 26 provides information on OCPE's observance of these principles.



Figure 26 – OCPE Observance of the Public Sector Principles

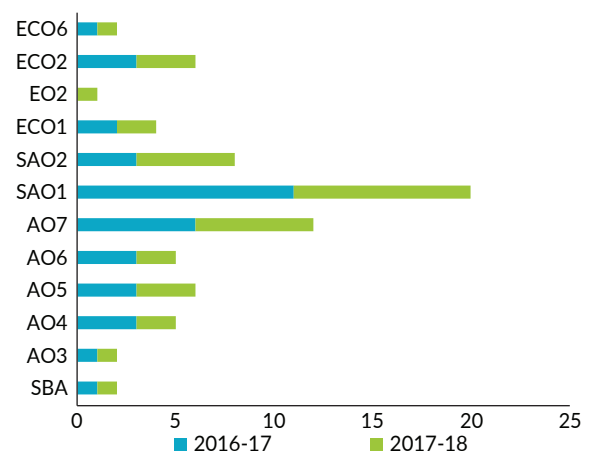
Public Sector Principle	Action in 2017-18
Administration Management Principle (PSEMA section 5B)	OCPE provided effective, efficient and appropriate services to the community and government, ensuring appropriate use of public resources while working cooperatively and responsively carrying out our functions objectively, impartially and with integrity.
Human Resource Management Principle (PSEMA section 5C)	Workplace diversity and equity is upheld and provides everyone equal opportunity to make the most of their talents and abilities in the workplace. Our workplace environment ensures that our employees are treated fairly, reasonably and in a non-discriminatory way.
Merit Principle (PSEMA section 5D)	OCPE appointments are based on the principles of merit. Employees are capable and competent to perform their duties; having the knowledge, skills, experience, and qualifications required to be successful in their role and having consideration of their potential for future development.
Equality of Employment Opportunity Principle (PSEMA section 5E)	Implementation of affirmative special measures policy and identifying designated positions has enabled OCPE to eliminate unlawful discrimination while promoting diversity among its workforce.
Performance and Conduct Principle (PSEMA section 5F)	OCPE champions NTPS values, treating the workforce fairly, equitably, and with proper courtesy and consideration. OCPE officers avoid actual or apparent conflicts of interest and ensure personal conduct does not adversely affect their performance or that of other public sector officers while performing their duties objectively, impartially, professionally and to the best of their ability with integrity.

## Staffing Profile

### Staff Snapshot as at 30 June 2018

As at 30 June 2018, OCPE had 36 employees, compared with 39 employees as at 30 June 2017. Figure 27 provides a comprehensive comparison of classifications from June 2017 to June 2018.

Figure 27 – Staffing by Classification

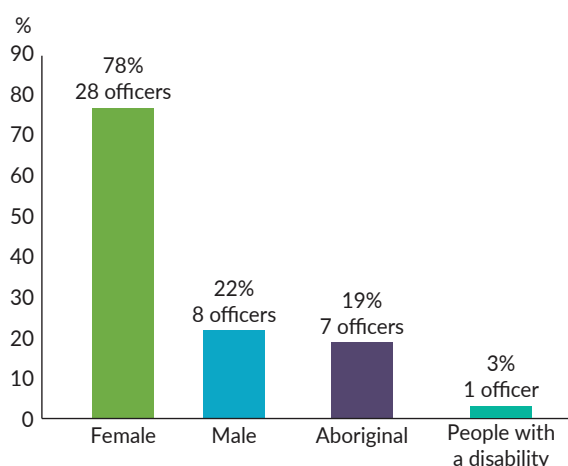


## Equal Employment Opportunity

### Diverse Workplace

OCPE strives to reflect a gender balanced and diverse workplace. Figure 28 shows the staff equity and diversity statistics at 30 June 2018.

Figure 28 – OCPE Equity and Diversity Statistics



### Aboriginal Employment and Career Development

OCPE drives the employment and career development for the NTPS, including Aboriginal employment. At the end of 2017-18, Aboriginal staff represented 19% of OCPE's workforce, an increase of 5% since the last financial year. The OCPE target for Aboriginal representation is 15%. OCPE continues to maintain Aboriginal representations through initiatives such as:

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

## Work Life Balance

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

Flexible working arrangements were negotiated including:

- five employees worked part-time
- four employees were on a Flexible Working Arrangement, including home-based work
- one employee used the option of taking recreation or long service leave at half pay
- one employee used the purchased leave option.

## Performance Management

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

This performance feedback is provided to all OCPE employees and 76% of employees had a formal performance agreement in place.

Performance management is the process of identifying, evaluating and developing the work performance of employees so OCPE's goals and objectives are more effectively achieved. Effective performance management is designed to enhance performance, identify performance requirements, provide feedback, and assist with career development.

The success of truly effective performance management stems from people talking together, and our framework encourages and promotes ongoing conversations between managers and employees.

## Professional Learning and Development Framework

In 2017-18, OCPE invested \$70,870 in conferences, structured learning opportunities, facilitators' fees, training and development (including study assistance), and leadership programs for its employees.

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

Throughout 2017-18, employees participated in the following training and professional development activities:

- Mental Health Awareness Training
- Challenging Unconscious Bias
- Future of Work in the Public Sector
- Communicate with Influence
- Machinery of Government
- International Women's Day Breakfast
- IPAA/IML – Creating a Mentally Healthy Workplace
- NTPS Women's Leadership Network
- DCA – Gender Equity Webcast
- DCA – Unconscious Bias – progressing Indigenous talent
- IPAA – The Future of Work in the Public Sector
- Australian Human Resources Institute State Conference
- Improve Your Decision-Making
- Australian Network on Disability conference
- Governance Institute
- Inclusion and Diversity Conference
- Australasian Evaluation Society – Making it Stick workshop
- Public Sector Management Program

## Health and Wellbeing

OCPE is committed to the health and wellbeing of all employees and offered activities and initiatives such as the employee assistance program, ergonomic assessments, and financial information seminars on topics such as superannuation and salary sacrificing. OCPE also promoted discounted health insurance and employees participated in the flu vaccination program and raised social club funds that went towards Christmas party celebrations. Figure 29 shows the health and wellbeing initiatives available in 2017-18.

Figure 29 – Health and Wellbeing Initiatives

Initiative	Number of Initiatives Accessed
Employee Assistance Program Sessions	6
Ergonomic Assessments	1
Flu Vaccinations	5

# Employment Instructions

Under PSEMA, Employment Instructions provide direction to agencies on human resource management matters. OCPE's performance against each Employment Instruction is reported in Figure 30.

Figure 30 – OCPE Performance against Employment Instructions

Employment Instruction	Agency Action in 2017-18
<b>1. Filling Vacancies</b> CEOs must develop a procedure for the filling of vacancies consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	Recruitment actions: advertised 14 vacancies (permanent and temporary), 15 employees commenced, and 18 employees separated.  No promotion appeal was lodged in 2017-18.
<b>2. Probation</b> CEOs must develop a probation procedure consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	OCPE has a Probation Policy consistent with PSEMA and relevant awards. New ongoing employees are advised of the probation process by DCIS as part of their Offer of Employment. The process is explained during induction and information is included in OCPE's information pack for new employees and available on the OCPE's intranet. Senior management is advised on the status of employee probation, and manages reports and timeframes.
<b>3. Natural Justice</b> The principles of natural justice are to be observed in all dealings with employees.	The principles of natural justice are observed in all dealings with employees and are reflected in relevant policies and procedures.
<b>4. Employee Performance Management and Development Systems</b> CEOs must develop and implement an employee performance management and development procedure consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	OCPE's Performance Management Framework integrates the NTPS' CLF, and the OCPE's planning framework and objectives with employees' work priorities. It establishes a link between individual performance and the demonstration of OCPE's Values, and a contribution towards achievement of the priorities and goals of OCPE's strategic plan.
<b>5. Medical Examinations</b> CEOs may engage a health practitioner in accordance with PSEMA and Employment Instruction Number 3.	During 2017-18, no employees were directed to attend medical examinations by approved health practitioners.
<b>6. Performance and Inability</b> CEOs may develop employee performance and inability procedures consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	The performance and inability guidelines and procedures are available on OCPE's intranet. DCM's HR Services supports managers to address underperformance issues and assists managers and employees to improve performance.  There were no performance or inability actions undertaken in 2017-18.

continued

Employment Instruction	Agency Action in 2017-18
<b>7. Discipline</b> CEOs may develop discipline procedures consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	OCPE's discipline policy and procedure is available to all employees on the intranet.  There was no disciplinary action taken during 2017-18.
<b>8. Internal Agency Complaints and Section 59 Grievance Reviews</b> Agencies must develop an internal employee grievance handling policy and procedure consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.	The Grievance Resolution Policy and Procedures, including its flowchart, is available on OCPE's intranet. DCM's HR Services promotes sound workplace practices and workshops are offered encouraging appropriate workplace behaviours.  No internal complaints were received or section 59 grievances lodged in 2017-18.
<b>9. Employment Records</b> Agencies must comply with the requirements of the <i>Information Act</i> (NT) regarding correction, collection and handling of personal information contained in an employee's employment record.	Employee records are securely maintained by DCIS. OCPE follows the NTG policy regarding access to these files. OCPE's policy for accessing and maintaining employees' records is available via the intranet. Any requests to access employee records are made through the DCM Executive Director of Corporate Services.
<b>10. Equality of Employment Opportunity Programs</b> Agencies must develop an Equality of Employment Opportunity Program consistent with PSEMA, its subordinate legislation, the <i>Anti-Discrimination Act</i> and any relevant award or enterprise agreement.	OCPE provides cross-cultural awareness, challenging unconscious bias, and appropriate workplace behaviour training for employees. OCPE has an IECDS and has designated positions for Aboriginal Australians.
<b>11. Occupational Health and Safety Standard Programs</b> Agencies must ensure the application of appropriate OHS standards and programs. The agency is also required to provide information in the annual report in relation to OHS programs.	OCPE meets the legislative requirements and Employment Instruction Number 11. The refresh of WHS documents and activities continued during 2017-18 including: <ul style="list-style-type: none"> <li>• conducted hazard risk assessment of working accommodation</li> <li>• updated policies, reporting, and procedures</li> <li>• confirmed currency of first aid officers and fire wardens training</li> <li>• participated on the NTG Charles Darwin Centre NTPS WHS Building Committee and subsequently combined with the DCM WHS Committee.</li> </ul>

*continued*

Employment Instruction	Agency Action in 2017-18
<p><b>12. Code of Conduct</b></p> <p>The Code of Conduct stipulates the basic level of conduct expected of Public Sector Officers, as defined in PSEMA.</p> <p>The agency may issue an agency-specific Code of Conduct that is consistent with PSEMA.</p>	<p>New employees are provided with the NTPS Code of Conduct booklet as part of their commencement package, and it is featured again as part of the employee's induction on commencement. Employees are reminded of their obligations through a range of forums provided during their employment.</p> <p>In-house training sessions promote compliance with the NTPS Code of Conduct. Training and the intranet are used to remind employees about accepting gifts and benefits, use of information technology and other resources, confidentiality, conflicts of interest, outside employment, fraud and ethics, harassment and bullying, health and safety, making public comment, and privacy and record keeping.</p>
<p><b>13. Appropriate Workplace Behaviour</b></p> <p>Agencies must develop and implement an agency policy and procedure to foster appropriate workplace behaviour and a culture of respect, and to deal effectively with inappropriate workplace behaviour and bullying.</p>	<p>OCPE is committed to providing all employees with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment, and discrimination.</p> <p>The appropriate workplace behaviour policy and procedures is featured as part of the employee induction upon commencement for all new employees.</p> <p>The appropriate workplace behaviour policy and procedures is available to all employees via the intranet.</p>
<p><b>14. Redeployment and Redundancy Procedures</b></p> <p>Agencies will ensure a redeployee is provided with an appropriate level of assistance and case management, actively monitor vacancies to identify other suitable employment and refer the redeployee where necessary to potentially suitable vacancies, and assist with identification of reasonable training and development opportunities to maximise the potential for redeployment.</p>	<p>OCPE adheres to the redeployment and redundancy provisions. In 2017-18 OCPE did not declare any employees surplus to requirements.</p>

*continued*



Employment Instruction	Agency Action in 2017-18
<p><b>15.Special Measures</b></p> <p>This Employment Instruction sets out the requirements and conditions of approval by the CPE of agency special measure programs, plans or arrangements.</p>	<p>The OCPE Special Measures Plan allows Aboriginal applicants to be given preferential consideration before other applicants, in line with the Government's IECDS 2015–2020 to increase Aboriginal employment across the NTPS to 16% by 2020. OCPE's commitment to equality of employment opportunities for Aboriginal Australians continues to be demonstrated – as at 30 June 2018 Aboriginal employee representation in OCPE was 19%.</p>



# 5

## FINANCIAL STATEMENTS

# FINANCIAL STATEMENTS

## Overview

The 2017-18 financial statements for OCPE have been prepared on an accrual basis in accordance with the NT's financial management framework and Australian Accounting Standards. OCPE's financial performance in 2017-18 and comparative financial information for 2016-17 are reported in four financial statements: the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, and Cash Flow Statement.

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

## Budget

OCPE's total budgeted income for 2017-18 was \$7.76 million, a decrease from the original 2017-18 budget of \$7.83 million. OCPE's total expense budget was \$8.01 million increasing from the original 2017-18 budget of \$7.83 million. The decrease in budgeted income of \$0.07 million from the original budget is predominantly due to the revised goods and services received free of charge from DCIS. Increase in operating expenses of \$0.18 million predominantly reflects the carryover of expenditure from 2016-17 to 2017-18 relating to the AECD Division.

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

## Comprehensive Operating Statement

Figure 31 – Financial Performance

	2017-18 (a) \$M	2016-17 (b) \$M	Movement (a-b) \$M
Operating income	7.20	7.75	(0.55)
Operating expenses	7.40	7.60	(0.20)
Net surplus/ (deficit)	(0.20)	0.15	(0.35)

The Comprehensive Operating Statement provides information on the financial performance of OCPE during the year. For the year ended 30 June 2018, OCPE recorded a deficit of \$0.20 million, predominantly due to higher employee expenditure resulting from enterprise bargaining agreement negotiations.

## Operating income

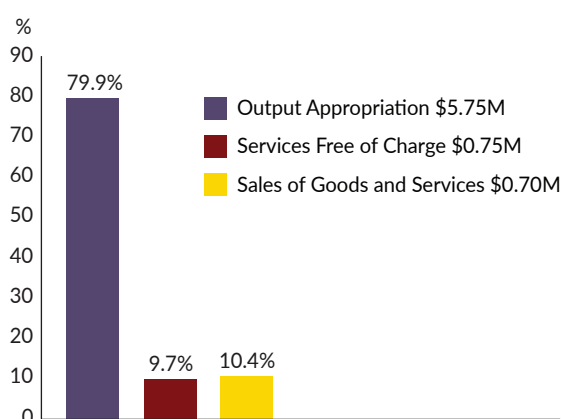
OCPE's primary source of income is output appropriation (\$5.75 million), which makes up 79.9% of the total OCPE income. OCPE also received income from sales of goods and services of \$0.70 million for the Disability Employment Program Levy and delivery and facilitation of NTG Workforce Leadership and Capability Development programs. Other income recognised by OCPE includes

goods and services received free of charge from DCIS.

Total income decreased by \$0.55 million in 2017-18 to \$7.20 million compared to 2016-17. The decrease relates to income from sale of goods and services, which decreased by \$0.40 million, predominantly due to timing of training programs undertaken associated with the whole of government training contract.

Output appropriation also decreased by \$0.11 million in 2017-18 compared to 2016-17.

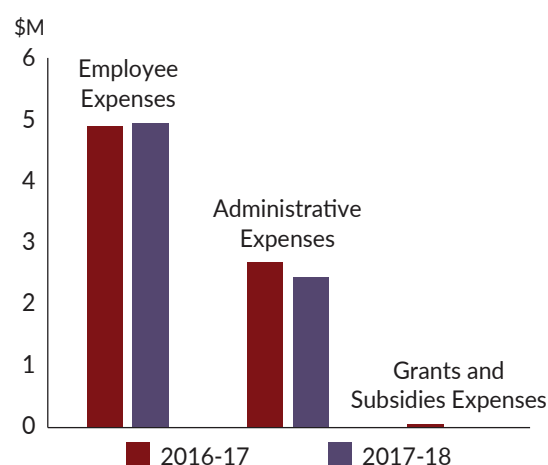
Figure 32 – 2017-18 Source of Income



## Operating expenses

OCPE's expenses are recognised in three primary categories; employee, administrative, and grants. In 2017-18, 67% of total expenditure was related to employees and 33% to administrative expenditure. No grant expenditure occurred in 2017-18.

Figure 33 – 2017-18 Expenditure Comparison (\$M)



In 2017-18, OCPE incurred personnel expenses of \$4.96 million, an increase of \$0.05 million from 2016-17, predominantly due to costs relating to the high number of enterprise bargaining agreement negotiations.

Administrative expenses in 2017-18 decreased by \$0.25 million to \$2.64 million. The decrease is due to timing of training programs undertaken associated with the whole-of-government training contract.

## Balance Sheet

Figure 34 – Balance Sheet

	2017-18 \$M	2016-17 \$M
Assets	4.10	4.18
Liabilities	0.82	0.71
Equity	3.28	3.47

During 2017-18, OCPE's total assets decreased by \$0.08 million from \$4.18 million to \$4.10 million. The decrease relates mainly to the decrease in cash balances.

## Statement of Changes in Equity

Figure 35 – Statement of Changes in Equity

	2017-18 \$M	2016-17 \$M
Balance 1 July	3.47	2.07
Accumulated Funds	(0.19)	0.15
Capital	-	1.25
Balance 30 June	3.28	3.47

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

Total equity in 2017-18 decreased by \$0.19 million, predominantly due to the decrease in cash balances.

## Cash Flow Statement

Figure 36 – Cash Flow Statement

	2017-18 \$M	2016-17 \$M
Balance 1 July	4.09	2.83
Receipts	6.53	6.98
Payments	(6.64)	(6.97)
Equity injection	-	1.25
Balance 30 June	3.98	4.09

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

Decrease in receipts in 2017-18 from 2016-17 is mainly because of lower receipts from sale of goods and services due to timing of training programs undertaken associated with the whole-of-government training contract. Payments over the period decreased due to lower payments for goods and services, also due to the timing of training programs undertaken associated with the whole-of-government training contract.

# 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 Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2018 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.



**Craig Allen**

Commissioner for Public Employment  
27 August 2018



**Robert Csar**

Chief Financial Officer  
27 August 2018



# Comprehensive Operating Statement

For the year ended 30 June 2018

	Note	2018 \$000	2017 \$000
<b>INCOME</b>			
<b>Appropriation</b>			
Output		5 749	5 862
Commonwealth		-	-
Sales of goods and services		699	1 098
Goods and services received free of charge	4	751	787
Other income		4	3
<b>TOTAL INCOME</b>	<b>3</b>	<b>7 203</b>	<b>7 750</b>
<b>EXPENSES</b>			
Employee expenses		4 956	4 909
<b>Administrative expenses</b>			
Purchases of goods and services	5	1 685	1 897
Repairs and maintenance		-	-
Depreciation and amortisation	10	6	6
Other administrative expenses <sup>1</sup>	6	751	787
<b>Grants and subsidies expenses</b>			
Current		-	5
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>7 398</b>	<b>7 604</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(195)</b>	<b>146</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net surplus/deficit</b>			
Changes in accounting policies		-	-
Correction of prior period errors		-	-
Changes in asset revaluation surplus		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(195)</b>	<b>146</b>

1 Includes DCIS service charges.

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

# Balance Sheet

As at 30 June 2018

	Note	2018 \$000	2017 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	8	3 973	4 085
Receivables	9	29	39
Prepayments		89	41
<b>Total Current Assets</b>		<b>4 091</b>	<b>4 165</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	10	5	12
<b>Total Non-Current Assets</b>		<b>5</b>	<b>12</b>
<b>TOTAL ASSETS</b>		<b>4 096</b>	<b>4 177</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	12	216	59
Provisions	13	603	646
<b>Total Current Liabilities</b>		<b>819</b>	<b>705</b>
<b>Non-Current Liabilities</b>			
Provisions	13	-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>819</b>	<b>705</b>
<b>NET ASSETS</b>		<b>3 277</b>	<b>3 472</b>
<b>EQUITY</b>			
Capital		58	58
Accumulated funds		3 219	3 414
<b>TOTAL EQUITY</b>		<b>3 277</b>	<b>3 472</b>

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

# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
<b>2017-18</b>					
<b>Accumulated Funds</b>		3 414	(195)	-	3 219
Changes in accounting policy		-	-	-	-
Correction of prior period errors		-	-	-	-
		<b>3 414</b>	<b>(195)</b>	<b>-</b>	<b>3 219</b>
<b>Capital – Transactions with Owners</b>					
Equity injections					
Capital appropriation		861	-	-	861
Equity transfers in		1 067	-	-	1 067
Other equity injections		1 411	-	-	1 411
Equity withdrawals					
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		( 297)	-	-	( 297)
		<b>58</b>	<b>-</b>	<b>-</b>	<b>58</b>
<b>Total Equity at End of Financial Year</b>		<b>3 472</b>	<b>(195)</b>	<b>-</b>	<b>3 277</b>
<b>2016-17</b>					
<b>Accumulated Funds</b>		3 268	146	-	3 414
Changes in accounting policy		-	-	-	-
Correction of prior period errors		-	-	-	-
		<b>3 268</b>	<b>146</b>	<b>-</b>	<b>3 414</b>
<b>Capital – Transactions with Owners</b>					
Equity injections					
Capital appropriation		861	-	-	861
Equity transfers in		1 060	-	7	1 067
Other equity injections		161	-	1 250	1 411
Equity withdrawals					
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		( 297)	-	-	( 297)
		<b>(1 199)</b>		<b>1 257</b>	<b>58</b>
<b>Total Equity at End of Financial Year</b>		<b>2 069</b>	<b>146</b>	<b>1 257</b>	<b>3 472</b>

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

# CASH FLOW STATEMENT

For the year ended 30 June 2018

	Note	2018 \$000	2017 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current			
Appropriation			
Output		5 749	5 862
Receipts from sales of goods and services		784	1 114
<b>Total Operating Receipts</b>		<b>6 533</b>	<b>6 976</b>
<b>Operating Payments</b>			
Payments to employees		(4 998)	(4 890)
Payments for goods and services		(1 646)	(2 077)
Grants and subsidies paid			
Current		-	(5)
<b>Total Operating Payments</b>		<b>(6 644)</b>	<b>(6 972)</b>
<b>Net Cash From/(Used in) Operating Activities</b>	<b>15</b>	<b>(111)</b>	<b>4</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Receipts</b>			
Proceeds from asset sales		-	-
<b>Total Investing Receipts</b>		<b>-</b>	<b>-</b>
<b>Investing Payments</b>			
Purchases of assets		-	-
<b>Total Investing Payments</b>		<b>-</b>	<b>-</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Equity injections			
Capital appropriation		-	-
Other equity injections			1 250
<b>Total Financing Receipts</b>			<b>1 250</b>
<b>Financing Payments</b>			
Equity withdrawals		-	-
<b>Total Financing Payments</b>		<b>-</b>	<b>-</b>
<b>Net Cash From/(Used in) Financing Activities</b>			<b>1 250</b>
Net increase/(decrease) in cash held		(111)	1 254
Cash at beginning of financial year		4 085	2 831
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>8</b>	<b>3 973</b>	<b>4 085</b>

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

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## 1. Objectives and Funding

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

Key functional responsibilities are:

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

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

## 2. Statement of Significant Accounting Policies

### a) Statement of Compliance

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

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



## **b) Basis of Accounting**

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

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

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

### **Standards and interpretations effective from 2017-18**

The following new and revised accounting standards and interpretations were effective for the first time in 2017-18:

#### **AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107**

This standard applies to the not-for-profit sector for the first time in 2017-18. The accounting amendment AASB 2016-2 requires the disclosure of information that enable users of financial statements to evaluate changes in liabilities arising from financing activities. This disclosure is illustrated in Note 15(b).

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

### **Standards and Interpretations Issued but not yet effective**


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

#### **AASB 16 Leases**

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

For lessees with operating leases, a right-of-use asset will now come onto the balance sheet together with a lease liability for all leases with a term of 12 months or more, unless the underlying assets are of low value. The Comprehensive Operating Statement will no longer report operating lease rental payments, instead a depreciation expense will be recognised relating to the right-to-use asset and interest expense relating to the lease liability.

For lessors, the finance and operating lease distinction remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in



the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

The agency currently does not have any operating lease commitments that will be required to be recognised in the balance sheet through a lease liability and corresponding right to use asset from 2019-20 in accordance with AASB 16 Leases.

### **AASB 1058 Income for not-for-profit entities and AASB 15 Revenue from contracts with customers**

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

Under the new AASB 1058 Income for Not-for-Profit Entities, revenue from grants and donations will be recognised when any associated performance obligation to provide goods or services is satisfied, and not immediately upon receipt as currently occurs. Consequently, more liabilities will be recognised in the balance sheet after adoption of this standard.

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

While the full impacts are yet to be determined, potential impacts identified include:

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

### **AASB 1059 Service Concession Arrangements: Grantors**

AASB 1059 Service Concession Arrangements: Grantors is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20.

AASB 1059 addresses the accounting for arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services.

Where a transaction meets the definition of a service concession arrangement, a service concession asset and liability will be recognised on the balance sheet and valued in accordance with the new standard.

The Territory's public-private partnership arrangements are currently under review to determine the applicability of AASB 1059 and the full impact of the new standard.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on future financial reporting.

### **c) Reporting Entity**

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

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

The principal place of business of the Department is: Level 10 Charles Darwin Centre, 19 The Mall, Darwin NT 0800.

### **d) Agency and Territory Items**

The financial statements of agency include income, expenses, assets, liabilities and equity over which the agency has control (Agency items). Certain items, while managed by the agency, are controlled and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed 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 20 – Schedule of Administered Territory Items.

### **e) Comparatives**

Where necessary, comparative information for the 2016-17 financial year has been reclassified to provide consistency with current year disclosures.

## **f) Presentation and Rounding of Amounts**

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

## **g) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2017-18 as a result of management decisions.

## **h) Accounting Judgments and Estimates**

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

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

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

## **i) Goods and Services Tax**

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian 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.

## **j) Contributions by and Distributions to Government**

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

to, Government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, Government.

### 3. Comprehensive Operating Statement by Output Group

		Employment Services		Corporate and Governance		Total	
	Note	2018 \$000	2017 \$000	2018 \$000	2017 \$000	2018 \$000	2017 \$000
<b>INCOME</b>							
Grants and subsidies revenue							
Current		-	-	-	-	-	-
Appropriation							
Output		4 767	4 878	982	984	5 749	5 862
Sales of goods and services		685	1 098	13	-	699	1 098
Goods and services received free of charge	4	-	745	751	42	751	787
Other income		1	-	4	3	4	3
<b>TOTAL INCOME</b>		<b>5 453</b>	<b>6 721</b>	<b>1 750</b>	<b>1 029</b>	<b>7 203</b>	<b>7 750</b>
<b>EXPENSES</b>							
Employee expenses		4 469	4 362	487	547	4 956	4 909
Administrative expenses							
Purchases of goods and services	5	1 111	1 369	574	528	1 685	1 897
Repairs and maintenance		-	-	-	-	-	-
Depreciation and amortisation	10	2	3	4	3	6	6
Other administrative expenses <sup>1</sup>	6	-	745	751	42	751	787
Grants and subsidies expenses							
Current		-	5	-	-	-	5
<b>TOTAL EXPENSES</b>		<b>5 582</b>	<b>6 484</b>	<b>1 816</b>	<b>1 120</b>	<b>7 398</b>	<b>7 604</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(129)</b>	<b>237</b>	<b>(66)</b>	<b>(91)</b>	<b>(195)</b>	<b>146</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
<b>Items that will not be reclassified to net surplus/deficit</b>							
Changes in accounting policies		-	-	-	-	-	-
Correction of prior period errors		-	-	-	-	-	-
Changes in asset revaluation surplus		-	-	-	-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>(129)</b>	<b>237</b>	<b>(66)</b>	<b>(91)</b>	<b>(195)</b>	<b>146</b>

1 Includes DCIS service charges.

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements.

## Income

Income encompasses both revenue and gains.

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

## Grants and Other Contributions

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

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

## Appropriation

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

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Specific Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then onpassed to the relevant agencies as Commonwealth appropriation.

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

## Sale of Goods

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

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



## Rendering of Services

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

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

## Interest Revenue

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

## Goods and Services Received Free of Charge

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

## Disposal of Assets

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

## 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.

## 4. Goods and Services Received Free of Charge

Department of Corporate and Information Services

2018 \$000	2017 \$000
751	787
<b>751</b>	<b>787</b>



2018	2017
\$000	\$000

## 5. Purchases of Goods and Services

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

### Goods and services expenses:

Consultants <sup>1</sup>	191	146
Marketing and promotion <sup>2</sup>	31	23
Document production	10	17
Legal expenses <sup>3</sup>	14	5
Recruitment <sup>4</sup>	1	14
Training and study	72	60
Official duty fares	50	65
Travelling allowance	11	17
	<b>380</b>	<b>347</b>

1 Includes marketing, promotion and IT consultants.

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

3 Includes legal fees, claim and settlement costs.

4 Includes recruitment-related advertising costs.

## Repairs and Maintenance Expense

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

## Interest Expense

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

## 6. Other Administrative Expenses

Goods and services received free of charge	751	787
	<b>751</b>	<b>787</b>

## 7. Write-Offs, Postponements, Waivers, Gifts and Ex Gratia Payments

The agency had no write-offs, postponements, waivers, gifts or ex gratia payments in 2017-18 and 2016-17.

## 8. Cash and Deposits

Cash at bank

2018 \$000	2017 \$000
3 973	4 085
<b>3 973</b>	<b>4 085</b>

## 9. Receivables

### Current

Accounts receivable

18 6

Less: Allowance for impairment losses

- -

**18 6**

GST receivables

11 33

Other receivables

- -

**11 33**

**Total receivables**

**29 39**

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful. Analysis of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 16 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

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

### Prepayments

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

## 10. Property, Plant and Equipment

### Plant and equipment

At fair value

32 114

Less: Accumulated depreciation

(26) (102)

**5 12**

### Property, Plant and Equipment Valuations

Refer to Note 11: Fair Value Measurement of Non-Financial Assets for additional disclosures.

## 10. Property, Plant and Equipment (continued)

### 2018 Property, Plant and Equipment Reconciliations

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

	Land \$000	Buildings \$000	Infrastructure \$000	Construction (work in progress) \$000	Plant and equipment \$000	Leased property, plant and equipment \$000	Total \$000
Carrying amount as at 1 July 2017	-	-	-	-	12	-	12
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	-	-	(6)	-	(6)
Additions/ (disposals) from asset transfers	-	-	-	-	-	-	-
<b>Carrying amount as at 30 June 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>

### 2017 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2016-17 is set out below:

	Land \$000	Buildings \$000	Infrastructure \$000	Construction (work in progress) \$000	Plant and equipment \$000	Leased property, plant and equipment \$000	Total \$000
Carrying amount as at 1 July 2016	-	-	-	-	11	-	11
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	-	-	(6)	-	(6)
Additions/ (disposals) from asset transfers	-	-	-	-	7	-	7
<b>Carrying amount as at 30 June 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>

## Acquisitions

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

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

## Complex Assets

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

## Subsequent Additional Costs

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

## Construction (Work in Progress)

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

## a) Revaluations and Impairment

### Revaluation of Assets

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

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

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

## Impairment of Assets

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

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's 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 Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

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

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2018. No impairment adjustments were required as a result of this review.

### b) Depreciation and Amortisation Expense

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

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

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

	2018	2017
Plant and Equipment	5 years	5 years

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



## Assets Held for Sale

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction or a grant agreement rather than continuing use. Assets held for sale consist of those assets that management has determined are available for immediate sale or granting in their present condition and their sale is highly probable within one year from the date of classification.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated.

## Leased Assets

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

## Finance Leases

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

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

## Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

## 11. Fair Value Measurement of Non-Financial Assets

### a) Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total Fair Value \$000
<b>2017-18</b>				
<b>Asset Classes</b>				
Plant and Equipment (Note 10)			5	5
<b>Total</b>			<b>5</b>	<b>5</b>
<b>2016-17</b>				
<b>Asset Classes</b>				
Plant and Equipment (Note 10)			12	12
<b>Total</b>			<b>12</b>	<b>12</b>

There were no transfers between Level 1 and Levels 2 or 3 during 2017-18.

### b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2017-18 are:

	Level 2 Techniques	Level 3 Techniques
<b>Asset Classes</b>		
Plant and equipment (Note 10)		Cost approach

There were no changes in valuation techniques from 2016-17 to 2017-18.

Level 3 fair values of plant and equipment were determined by computing their depreciated replacement costs because an active market does not exist for such assets.

## c) Additional Information for Level 3 Fair Value Measurements

### (i) Reconciliation of Recurring Level 3 Fair Value Measurements

	Land \$000	Buildings \$000	Infrastructure \$000	Plant and Equipment \$000
<b>2017-18</b>				
Fair value as at 1 July 2017	-	-	-	12
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers from Level 2	-	-	-	-
Transfers to Level 2	-	-	-	-
Depreciation	-	-	-	(6)
Additions/(Disposals) from asset transfer	-	-	-	-
Gains/losses recognised in net surplus/ deficit	-	-	-	-
<b>Fair value as at 30 June 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>
<b>2016-17</b>				
Fair value as at 1 July 2016	-	-	-	11
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers from Level 2	-	-	-	-
Transfers to Level 2	-	-	-	-
Depreciation	-	-	-	(6)
Additions/(Disposals) from asset transfer	-	-	-	7
Gains/losses recognised in net surplus/ deficit	-	-	-	-
<b>Fair value as at 30 June 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>

### (ii) Sensitivity analysis

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

## 12. Payables

	2018 \$000	2017 \$000
Accounts payable	4	13
Accrued expenses	212	46
Other payables	-	-
<b>Total Payables</b>	<b>216</b>	<b>59</b>

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

## 13. Provisions

### Current

Employee benefits		
Recreation leave and airfares	476	507
Leave loading	48	57
	<u>524</u>	<u>564</u>
Other current provisions		
Fringe benefit tax	11	10
Payroll tax	30	33
Superannuation	38	39
	<u>79</u>	<u>82</u>
<b>Total Current</b>	<b>603</b>	<b>646</b>
<b>Non-Current</b>		
Employee benefits		
Recreation leave and airfares	-	-
	<u>-</u>	<u>-</u>
<b>Total Non-Current</b>	<b>-</b>	<b>-</b>
<b>Total Provisions</b>	<b>603</b>	<b>646</b>

2018	2017
\$000	\$000

## Reconciliations of Provisions

### Fringe Benefit Tax

Balance as at 1 July	10	9
Additional provisions recognised	44	40
Reductions arising from payments	(43)	(39)
<b>Balance as at 30 June</b>	<b>11</b>	<b>10</b>

### Payroll Tax

Balance as at 1 July	33	32
Additional provisions recognised	30	33
Reductions arising from payments	(33)	(32)
<b>Balance as at 30 June</b>	<b>30</b>	<b>33</b>

### Superannuation

Balance as at 1 July	39	32
Additional provisions recognised	38	39
Reductions arising from payments	(39)	(32)
<b>Balance as at 30 June</b>	<b>38</b>	<b>39</b>

The Agency employed 29.60 employees as at 30 June 2018 (34.18 employees as at 30 June 2017).

## Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within 12 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 12 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
- other types of employee benefits.

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

## Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory 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.

## 14. Commitments

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

### (i) Capital Expenditure Commitments

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

	2018		2017	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Within one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-

### (ii) Operating Lease Commitments

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

Within one year	29	-	48 <sup>a</sup>	-
Later than one year and not later than five years	19	-	48 <sup>a</sup>	-
Later than five years	-	-	-	-
	48	-	96	-

2018		2017	
Internal	External	Internal	External
\$000	\$000	\$000	\$000

### (iii) Other Expenditure Commitments

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

Within one year	-	160	-	16
Later than one year and not later than five years	-	204	-	-
Later than five years	-	-	-	-
	-	364	-	16

(a) Restated to exclude subscription commitment for IT equipment.

## 15. Notes to the Cash Flow Statement

### a) Reconciliation of Cash

The total of agency 'Cash and deposits' of \$3.97 million 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

	2018 \$000	2017 \$000
Net Surplus/(Deficit)	(195)	146
Non-cash items:		
Depreciation and amortisation	6	6
Repairs and Maintenance Minor New Works - Non Cash		
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	11	(6)
Decrease/(Increase) in prepayments	(47)	61
(Decrease)/Increase in payables	156	(109)
(Decrease)/Increase in provision for employee benefits	(40)	(8)
(Decrease)/Increase in other provisions	(3)	9
(Decrease)/Increase in other liabilities	-	(95)
Net Cash from Operating Activities	(111)	4

### b) Reconciliation of liabilities arising from financing activities

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

### c) Non-cash financing and investing activities

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



## 16. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. Financial instruments held by the agency include cash and deposits, receivables and payables.

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

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

### a) Categorisation of Financial Instruments

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

#### 2017-18 Categorisation of Financial Instruments

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

## 2016-17 Categorisation of Financial Instruments

	Fair value through profit or loss			Financial assets – loans and receivables	Financial assets – available for sale	Financial liabilities – amortised cost	Other	Total
	Held for trading	Designated at fair value	Held to maturity investments					
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and deposits							4 085	4 085
Receivables <sup>1</sup>				6				6
<b>Total financial assets</b>								<b>4 091</b>
Payables <sup>1</sup>						(59)		(59)
<b>Total financial liabilities</b>								<b>(59)</b>

1 Total amounts disclosed exclude statutory amounts.

### Classification of Financial Instruments

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

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

Financial liabilities are classified into the following categories:

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

### Financial Assets or Financial Liabilities at Fair Value through Profit or Loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking
- or a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise

- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis
- or it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.

Financial liabilities at fair value through profit or loss include deposits held and accounts payable excluding statutory deposits and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

### Held-to-Maturity Investments

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

### Loans and Receivables

For details refer to Note 9, but exclude statutory receivables.

### Available-for-Sale Financial Assets

Available-for-sale financial assets are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Comprehensive Operating Statement.

### Financial Liabilities at Amortised Cost

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

### Derivatives

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

Derivatives are initially recognised at fair value on the date a derivative contract is entered in to and are subsequently remeasured at their fair value at each reporting date. The resulting gain or loss is recognised in the Comprehensive Operating Statement immediately unless the derivative is designated and qualifies as an effective hedging instrument, in which event, the timing of the recognition in the Comprehensive Operating Statement depends on the nature of the hedge relationship. Application of

hedge accounting will only be available where specific designation and effectiveness criteria are satisfied.

## Netting of Swap Transactions

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

## b) Credit Risk

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

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

## Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

	Aging of receivables \$000	Aging of impaired receivables \$000	Net receivables \$000
<b>Internal Receivables</b>			
<b>2017-18</b>			
Not overdue	15	-	15
Overdue for less than 30 days	2	-	2
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
<b>Total</b>	<b>17</b>	<b>-</b>	<b>17</b>
<b>2016-17</b>			
Not overdue	1	-	1
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
<b>Total</b>	<b>1</b>	<b>-</b>	<b>1</b>

### External Receivables

#### 2017-18

Not overdue	
Overdue for less than 30 days	
Overdue for 30 to 60 days	
Overdue for more than 60 days	
<b>Total</b>	

Aging of receivables \$000	Aging of impaired receivables \$000	Net receivables \$000
1	-	1
-	-	-
-	-	-
-	-	-
<b>1</b>	<b>-</b>	<b>1</b>

#### 2016-17

Not overdue	
Overdue for less than 30 days	
Overdue for 30 to 60 days	
Overdue for more than 60 days	
<b>Total</b>	

5	-	5
-	-	-
-	-	-
-	-	-
<b>5</b>	<b>-</b>	<b>5</b>

### c) Liquidity Risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the agency's remaining contractual maturity for its financial assets and liabilities.

### 2018 Maturity analysis for financial assets and liabilities

	Variable interest rate			Fixed interest rate			Non interest bearing	Total	Weighted average
	Less than a year \$000	1 To 5 years \$000	More than 5 years \$000	Less than a year \$000	1 To 5 years \$000	More than 5 years \$000			
<b>Assets</b>									
Cash and deposits							3 973	3 973	
Receivables							18	18	
<b>Total financial assets</b>							<b>3 991</b>	<b>3 991</b>	
<b>Liabilities</b>									
Payables							(216)	(216)	
<b>Total financial liabilities</b>							<b>(216)</b>	<b>(216)</b>	

## 2017 Maturity analysis for financial assets and liabilities

	Variable interest rate			Fixed interest rate			Non interest bearing	Total	Weighted average
	Less than a year	1 To 5 years	More than 5 years	Less than a year	1 To 5 years	More than 5 years			
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	%
<b>Assets</b>									
Cash and deposits							4 085	4 085	
Receivables							6	6	
<b>Total financial assets</b>							<b>4 091</b>	<b>4 091</b>	
<b>Liabilities</b>									
Payables							(59)	(59)	
<b>Total financial liabilities</b>							<b>(59)</b>	<b>(59)</b>	

### d) Market Risk

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

#### (i) Interest Rate Risk

The agency is not exposed to interest rate risk as agency financial assets and financial liabilities are noninterest bearing.

#### (ii) Price Risk

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

#### (iii) Currency Risk

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

### e) Net Fair Value

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

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

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

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

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

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

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

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

Level 3 – inputs are unobservable.

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

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

For financial instruments measured and disclosed at fair value, the following table groups the instruments based on the level of inputs used.

	Total carrying amount \$000	Net fair value level 1 \$000	Net fair value level 2 \$000	Net fair value level 3 \$000	Net fair value total \$000
<b>2018</b>					
<b>Financial assets</b>					
Cash and deposits	3 973	3 973	-	-	3 973
Receivables	18	18	-	-	18
<b>Total financial assets</b>	<b>3 991</b>	<b>3 991</b>	<b>-</b>	<b>-</b>	<b>3 991</b>
<b>Financial liabilities</b>					
Payables	(216)	(216)	-	-	(216)
<b>Total financial liabilities</b>	<b>(216)</b>	<b>(216)</b>	<b>-</b>	<b>-</b>	<b>(216)</b>



	Total carrying amount \$000	Net fair value level 1 \$000	Net fair value level 2 \$000	Net fair value level 3 \$000	Net fair value total \$000
<b>2017</b>					
<b>Financial assets</b>					
Cash and deposits	4 085	4 085	-	-	4 085
Receivables	6	6	-	-	6
<b>Total financial assets</b>	<b>4 091</b>	<b>4 091</b>	<b>-</b>	<b>-</b>	<b>4 091</b>
<b>Financial liabilities</b>					
Payables	(59)	(59)	-	-	(59)
<b>Total financial liabilities</b>	<b>(59)</b>	<b>(59)</b>	<b>-</b>	<b>-</b>	<b>(59)</b>

The net fair value of Cash, Receivables and Payables are based on current market values. There were no changes in valuation techniques during the period.

## 17. Related Parties

### a) Related Parties

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

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

### b) Key Management Personnel (KMP)

Key management personnel of the Office of the Commissioner for Public Employment are those persons having authority and responsibility for planning, directing and controlling the activities of the Department. These include the Minister for Public Employment, the Commissioner for Public Employment and the 5 members of the executive team/the Management Board as listed on page 56.

### c) Remuneration of Key Management Personnel

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

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

	2018 \$000	2017 \$000
Short-term benefits	1 279	1 161
Post-employment benefits	109	106
Termination benefits	-	-
<b>Total</b>	<b>1 388</b>	<b>1 267</b>

## d) Related party transactions:

### Transactions with Northern Territory Government controlled entities

The departments' primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation.

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

	Revenue from related parties \$000	Payments to related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
<b>2018</b>				
NTG Government departments	1 384	1 849	12	31
Subsidiary	47	154	5	3
<b>Total</b>	<b>1 431</b>	<b>2 003</b>	<b>17</b>	<b>34</b>
<b>2017</b>				
NTG Government departments	1 705	1 724	-	37
Subsidiary	129	116	2	1
<b>Total</b>	<b>1 834</b>	<b>1 840</b>	<b>2</b>	<b>38</b>

Other related party transactions are as follows:

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

## **18. Contingent Liabilities and Contingent Assets**

The agency had no known material contingent liabilities or contingent assets as at 30 June 2018 or 30 June 2017.

## **19. Events Subsequent to Balance Date**

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

## **20. Schedule of Administered Territory Items**

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

## 21. Budgetary Information

### Comprehensive Operating Statement

	2017-18 Actual \$000	2017-18 Original Budget \$000	Variance \$000	Note
<b>INCOME</b>				
Taxation revenue	-	-	-	
Grants and subsidies revenue				
Current	-	-	-	
Capital	-	-	-	
Appropriation				
Output	5 749	5 749	-	
Commonwealth	-	-	-	
Sales of goods and services	699	1 204	(505)	1
Interest revenue	-	-	-	
Goods and services received free of charge	751	873	(122)	
Gain on disposal of assets	-	-	-	
Other income	4	-	4	
<b>TOTAL INCOME</b>	<b>7 203</b>	<b>7 826</b>	<b>(623)</b>	
<b>EXPENSES</b>				
Employee expenses	4 955	4 593	362	2
Administrative expenses				
Purchases of goods and services	1 685	2 342	(657)	1
Repairs and maintenance	-	10	(10)	
Depreciation and amortisation	6	3	3	
Other administrative expenses	752	873	(121)	
Grants and subsidies expenses				
Current	-	8	(8)	
Capital	-	-	-	
Community service obligations	-	-	-	
Interest expenses	-	-	-	
<b>TOTAL EXPENSES</b>	<b>7 398</b>	<b>7 829</b>	<b>(431)</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>(195)</b>	<b>(3)</b>	<b>(192)</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to net surplus/deficit</b>				
Changes in accounting policies	-	-	-	
Correction of prior period errors	-	-	-	
Changes in asset revaluation surplus	-	-	-	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>COMPREHENSIVE RESULT</b>	<b>(195)</b>	<b>(3)</b>	<b>(192)</b>	

The following note descriptions relate to variance greater than 10 per cent or \$200,000 or where multiple significant variances have occurred.

- 1 Decrease due to timing of training programs undertaken associated with whole-of-government training contract.
- 2 Increase is predominantly due to costs relating to a high number of enterprise bargaining agreement negotiations.

## Balance Sheet

### ASSETS

#### Current assets

Cash and deposits	3 973	4 081	(108)
Receivables	29	33	(4)
Inventories	-	-	-
Advances and investments	-	-	-
Prepayments	88	103	(15)
Other assets	-	-	-

<b>Total current assets</b>	<b>4 091</b>	<b>4 217</b>	<b>(126)</b>
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#### Non-current assets

Receivables	-	-	-
Advances and investments	-	-	-
Property, plant and equipment	5	4	1
Intangibles	-	-	-
Biological assets	-	-	-
Heritage and cultural assets	-	-	-
Prepayments	-	-	-
Other assets	-	-	-

<b>Total non-current assets</b>	<b>5</b>	<b>4</b>	<b>1</b>
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<b>TOTAL ASSETS</b>	<b>4 096</b>	<b>4 221</b>	<b>(125)</b>
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### LIABILITIES

#### Current liabilities

Deposits held	-	-	-
Payables	216	167	49
Borrowings and advances	-	-	-
Provisions	603	646	(43)
Other liabilities	-	95	(95)

<b>Total current liabilities</b>	<b>819</b>	<b>908</b>	<b>(89)</b>
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#### Non-current liabilities

Borrowings and advances	-	-	-
Provisions	-	-	-
Other liabilities	-	-	-

<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
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<b>TOTAL LIABILITIES</b>	<b>819</b>	<b>908</b>	<b>(89)</b>
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<b>NET ASSETS</b>	<b>3 277</b>	<b>3 313</b>	<b>(36)</b>
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### EQUITY

Capital	58	51	7
Reserves	-	-	-
Accumulated funds	3 219	3 262	(43)

<b>TOTAL EQUITY</b>	<b>3 277</b>	<b>3 313</b>	<b>(36)</b>
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## Cash Flow Statement

### CASH FLOWS FROM OPERATING ACTIVITIES

#### Operating receipts

Taxes received	-	-	-	
Grants and subsidies received				
Current				
Capital	-	-	-	
Appropriation				
Output	5 749	5 749	-	
Commonwealth				
Receipts from sales of goods and services	784	1 204	(420)	1
Interest received				
<b>Total operating receipts</b>	<b>6 533</b>	<b>6 953</b>	<b>(420)</b>	

#### Operating payments

Payments to employees	4 998	4 593	405	2
Payments for goods and services	1 646	2 352	(706)	1
Grants and subsidies paid				
Current	-	8	(8)	
Capital				
Community service obligations	-	-	-	
Interest paid	-	-	-	
<b>Total operating payments</b>	<b>6 644</b>	<b>6 953</b>	<b>(309)</b>	
<b>Net cash from/(used in) operating activities</b>	<b>(111)</b>	<b>-</b>	<b>(111)</b>	

### CASH FLOWS FROM INVESTING ACTIVITIES

#### Investing receipts

Proceeds from asset sales	-	-	-	
Repayment of advances		-		
Sales of investments	-	-	-	
<b>Total investing receipts</b>		<b>-</b>		

#### Investing payments

Purchases of assets	-	-	-	
Advances and investing payments				
<b>Total investing payments</b>				
<b>Net cash from/(used in) investing activities</b>				

## Cash Flow Statement (continued)

### CASH FLOWS FROM FINANCING ACTIVITIES

#### Financing receipts

	2017-18 Actual \$000	2017-18 Original Budget \$000	Variance \$000	Note
Proceeds of borrowings	-	-	-	
Deposits received	-	-	-	
Equity injections				
Capital appropriation	-	-	-	
Commonwealth appropriation	-	-	-	
Other equity injections	-	-	-	
<b>Total financing receipts</b>	-	-	-	

#### Financing payments

Repayment of borrowings	-	-	-
Finance lease payments	-	-	-
Equity withdrawals	-	-	-
<b>Total financing payments</b>	-	-	-

#### Net cash from/(used in) financing activities

Net increase/(decrease) in cash held	(111)	-	(111)
Cash at beginning of financial year	4 085	4 081	4
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>3 973</b>	<b>4 081</b>	<b>(108)</b>

The following note descriptions relate to variance greater than 10 per cent or \$200,000 or where multiple significant variances have occurred.

- 1 Decrease due to timing of training programs undertaken associated with whole-of-government training contract.
- 2 Increase is predominantly due to costs relating to a high number of enterprise bargaining agreement negotiations.





# 6

## APPENDICES





# BOARDS AND COMMITTEES WITH OCPE INVOLVEMENT

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## National

- National Public Sector Industrial Relations (Directors) group
- Public Service Commissioners' Conference
- Senior Officials Group – provides advice and support to the Select Council on Workplace Relations (Meeting of Jurisdiction Ministers)

## Northern Territory

- Audit and Risk Management Committee
- Chief Information Officer Forums
- Coordination Committee
- Executive Remuneration Review Panel
- Human Resource Management and Development Committee
- Information Communication and Technology Governance Committee
- Interdepartmental Committee on Corporate Taxation and Superannuation
- NT Emergency Management Council
- NTG Chief Financial Officer Forum
- NTG Heads of Corporate
- Public Sector Appeals Board
- Public Sector Consultative Council
- Work Health and Safety Committee

## Central Australia

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

# FEEDBACK FORM

We welcome your feedback on the OCPE Annual Report 2017-18. Your comments and suggestions will be used in the development of future reports.

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

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

Which areas of the report were most useful?

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

How do you think the report could be improved?

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

Does the report contain the information you required?

☐ Yes ☐ No

Please indicate where you are from:

- ☐ Australian Government  
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☐ Other State or Territory Government  
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☐ Education or research institution  
☐ Industry  
☐ Private sector

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

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