

DEPARTMENT OF
TRADE, BUSINESS
AND INNOVATION

2016-17

ANNUAL
REPORT



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Enquiries should be made to:

Department of Trade, Business and Innovation
GPO Box 3200
DARWIN NT 0801
Telephone: (08) 8999 5511
Email: businessinfo@nt.gov.au
Web: <https://business.nt.gov.au/about>

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Purpose of the report

This annual report highlights Department of Trade, Business and Innovation achievements for the 2016-17 financial year.

This report has been prepared to meet the requirements of section 28 of the *Public Sector Employment and Management Act*, and section 11 of the *Financial Management Act*.

It provides the Minister, the Northern Territory Legislative Assembly and other interested parties with:

- the primary functions and responsibilities of the department's significant activities undertaken during the year
- the department's financial management and performance
- a summary of the department's progress in achieving its planned outcomes as outlined in 2016-17 Budget Paper No.3 and the Northern Territory Government's election commitments
- an overview of the department's future direction.

The Hon Michael Gunner MLA
Minister for Trade, Business and Innovation
Parliament House
Darwin NT 0800

Office of the Chief Executive
Level 5, Charles Darwin Centre
19 The Mall
DARWIN NT 0800

Postal Address

GPO Box 3200
DARWIN NT 0800

T 08 8999 5204

F 08 8999 5333

E michael.tennant@nt.gov.au

Dear Minister

In accordance with the provisions of section 28 of the *Public Sector Employment and Management Act*, I am pleased to present you with the Department of Trade, Business and Innovation 2016-17 Annual Report on activities and achievements.

Pursuant to the *Public Sector Employment and Management Act*, the *Financial Management Act* and the *Information 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 in accordance with the *Treasurer's Direction G2.2*; include controls identified in the department's *Risk Management register*; 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 (or, where this is not the case, details to be provided of any such instances)
- 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 him or her
- 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) the agency has implemented processes to achieve compliance with the archives and records management provisions as prescribed in Part 9 of the *Information Act*.

Yours sincerely



Michael Tennant
Chief Executive Officer

19 September 2017

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Message from the Chief Executive Officer

The Department of Trade, Business and Innovation was established on 12 September 2016 drawing together key economic development functions from across former agencies. We are positioned to support economic development, attract greater investment and trade opportunities to develop the north, enable the advancement of a skilled and capable workforce and to support business growth and sustainability.

To support this new direction and integration of economic development functions, our leadership group developed a new strategic plan. The new Strategic Directions 2017-2021 outlines our vision to make the NT a strong, vibrant economy for all Territorians and our purpose to drive opportunities to grow private investment and create jobs. We are already actively working towards our goals to:

- connect business and government across industries and regions
- foster a culture of innovation in the Territory
- create a pipeline of investment
- grow local capacity and
- achieve excellence in our own business.

One of the initial initiatives led by the new agency, was the Economic Summits process that ran across the Territory between October 2016 and March 2017 involving more than 240 organisations and 1590 Territorians. The co-design, co-develop process informed development of the NT Economic Development Framework, NT Infrastructure Strategy and NT Infrastructure Plan. These overarching strategic plans will inform the Territory's decision making and actions on economic development and infrastructure investment over the next 10 years.

The Economic Development Framework confirmed Defence Support Industries and International Education and Training as priority industries for the Territory. The department has boosted our DefenceNT and StudyNT teams to support growth and maximise opportunities in these sectors. With a strengthened focus on developing the north, we have facilitated a 'Team NT' approach to working with local industry and stakeholders to promote the Territory interstate and internationally as an ideal location to do business, live, work, study, invest and trade.

During 2016-17 the department delivered a number of key government priorities and continued to achieve success through our established and diverse services and programs. A highlight was the economic stimulus programs, including the new Home Improvement Scheme, Immediate Work Grants and Home Renovation Grants. These programs have been successfully delivered to support businesses during a transition phase of our economy.

The department has continued to support opportunities for local businesses and development of local industry capability through the Buy Local Plan with a new Value for Territory focus on local content and benefits. We have also delivered internal improvements to the way we procure across agencies through work to modernise the whole-of-government procurement framework and to develop the capability of staff working across agencies on procurement activities.

Our pursuit of major projects and the creation of a pipeline of investment has seen three new projects granted major project status. Other key projects, including the Inpex Ichthys project, the Darwin Luxury Hotel project, the Jemena Northern Gas Pipeline and the Ship Lift project, have all achieved key milestones through 2016-17.

Our Regional Economic Network was implemented by the department to provide a single point of entry for industry and business in regional locations and to provide whole-of-government leadership, co-ordination and facilitation to regionally based projects through Regional Economic Development Committees.

The department has continued to recognise the importance of engaging with business and not-for-profit organisations of all sizes with our Small Business Champions team being established in 2016-17. The Small Business Champion network covers the Territory with officers based in Darwin, Katherine, Alice Springs, Tennant Creek and Nhulunbuy and travelling throughout all regions to reach businesses in remote areas. The Team are helping local business, not-for-profit organisations and Aboriginal enterprises to improve profitability, sustainability and capability through our start.run.grow. programs.

We delivered the *Training and Skills Development Act* which came into effect on 5 July 2016 as a result of extensive engagement and consultation. The VET investment framework and VET investment plan being developed under the Act will ensure that funding for training and development drives the creation of a skilled workforce to meet the current and future needs of the Territory.

As a department, we have strengthened our culture of performance, accountability and excellence in our own business through governance frameworks, policies and continuous improvement processes. We have also increased our connectivity with business and community through the implementation of new tools such as our Customer Relationship Management system and a growing social media presence.

I thank all of our team for their continuous hard work, drive and passion to help make the Territory the best place to do business, invest, work, study, live and play.

A handwritten signature in blue ink that reads "Michael Tennant". The signature is written in a cursive, flowing style.

Michael Tennant
Chief Executive Officer

19 September 2017

About the Department of Trade, Business and Innovation

Who we are

The Department of Trade, Business and Innovation was established by the Northern Territory Government on 12 September 2016 with the enactment of new Administrative Arrangement Orders.

To deliver a coordinated approach to the economic development of the Northern Territory, the following elements were incorporated into the new department:

- Northern Australia Development Office, DefenceNT and the Office of Major Projects, Infrastructure and Investment from the Department of the Chief Minister
- StudyNT from the Department of Education
- Business NT; Training NT; Procurement NT; Office of Asian Engagement, Trade and Investment; and Strategic Services from the former Department of Business.

In establishing this new department, the regulatory divisions from the Department of Business, Licensing NT and NT WorkSafe, were transferred to the Department of the Attorney General and Justice, the Alcohol Policy function was transferred to the Department of Health and the Red Tape Abolition Squad joined the Department of Treasury and Finance.

What we do

The department is the lead agency responsible for delivering economic development and driving the development of the north agenda. To support this, the department delivers a wide range of programs and services to business, industry and workers across divisions of:

- Business and Innovation NT
- Workforce NT
- Procurement NT
- Northern Australia Development and Trade
 - Office of Asian Engagement, Trade and Investment
 - Northern Australia Development Office
 - StudyNT
 - DefenceNT
- Strategic Infrastructure and Projects
- Strategic Services.

Strategic Directions 2017-2021

The new strategic plan was developed to support the department to deliver in its role as NT Government's lead coordinating agency for economic development.

The Department of Trade, Business and Innovation Strategic Directions 2017-2021, sets out the department's vision and purpose providing a platform for all departmental resourcing and planning activities. It sets key priorities that support the department's efforts to drive a strong and vibrant economy for all Territorians.

The new Strategic Plan reflects the priorities generated from election commitments, Budget 2017, the Economic Development Framework, the Infrastructure Strategy and the 10 Year Infrastructure Plan.

Strategic Directions 2017-2021 is a road map that enables the department to:

- connect business and government across industries and regions
- foster a culture of innovation in the Territory
- create a pipeline of investment
- grow local capacity
- achieve excellence in our own business.

Our values

The department is committed to the Northern Territory Public Sector Values:

Commitment to service Ethical practice **Respect** Accountability **Impartiality** Diversity

2016-17 highlights

Over \$52 million in Economic Stimulus Grants were processed with an estimated stimulus impact on the Territory economy of more than \$200 million.

The Northern Australia Development Office hosted the Northern Territory Economic Summits engaging with more than 240 key organisations and over 1590 people to develop the Economic Development Framework.

Small Business Champions team undertook over 2000 'business snapshots' and delivered over \$3.9 million to assist 452 business, Aboriginal enterprises and not for profit organisations through grants and services.

The Smarter Business Solutions program delivered over \$680 000 in grant support to 51 businesses, leveraging a further \$2.4 million investment from NT business into cost saving initiatives.

Indigenous workforce initiatives supported 477 Aboriginal Territorians achieve jobs, assisted an additional 64 to enhance their careers and supported 107 businesses and organisations to grow their workforce.

Through 584 engagements over a five week period, the Arafura Games Steering Committee developed a Strategic Framework for Bringing Back the Arafura Games for consideration by government.

Development of the Vocational Education and Training (VET) Investment Framework (VIF) to modernise the Territory's VET system.

Attracted record attendance at the NT Training Awards presentation function on 10 September 2016 with 570 guests, a 13% increase from the year before.

Released the revised Major Project Status Policy Framework to deliver a commitment made by government as part of the Territory Economic Summits process.

Client contacts with Territory Business Centres increased by 21 000 from 2015-16.

Strengthened the Buy Local Plan by increasing local content to a minimum of 30% and introducing the 'Value for Territory' principle.

Trade Support Scheme approved \$398 000 in funding across 77 successful applications to assist businesses market products and services to international markets.

Improved content relevance and elevated interest in the Upskills Workshops, increasing participation from the business community by 20% from 2015-16.

DefenceNT played a vital role in supporting the Force Posture Agreement between Australia and the United States with US Marine force rotations in Darwin.

Through services to client agencies assisted with 260 procurement tenders and quotes with a total award value of \$38 million

Developed the NT Business Confidence Survey to supplement the Sensis Business Index publication.

Five small business roundtables were held to encourage greater engagement between the government and small businesses across the NT.

StudyNT introduced the Study in Australia's Northern Territory Scholarship Program to support talented students from priority countries to study in the Northern Territory.

Facilitated the set-up of the first Darwin Innovation Hub.

Industry Participation Plans provided by the department resulted in \$150 million worth of business for Aboriginal and Torres Strait Islander businesses.

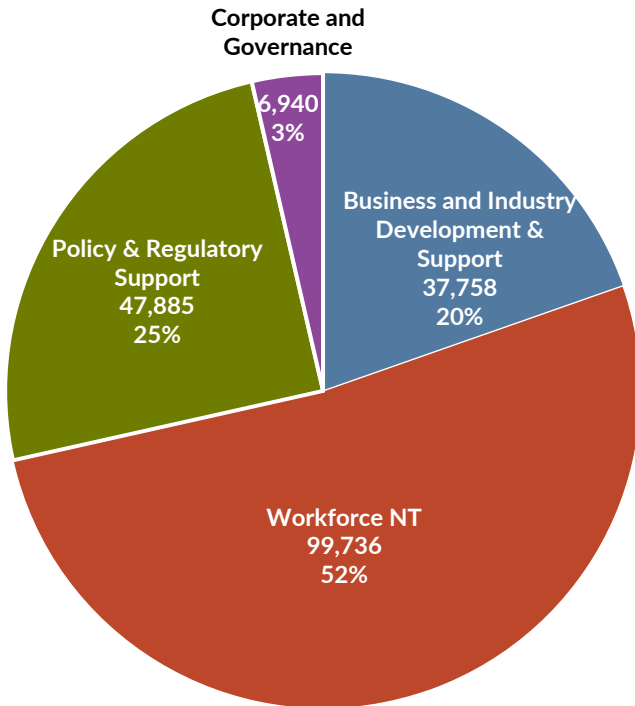
Developed and led the scoping and competitive process for the \$200 million luxury hotel at the Darwin Waterfront.

Modernised the Procurement Framework by developing the Procurement Governance Policy and Procurement Rules, for implementation on 1 July 2017.

Our resources

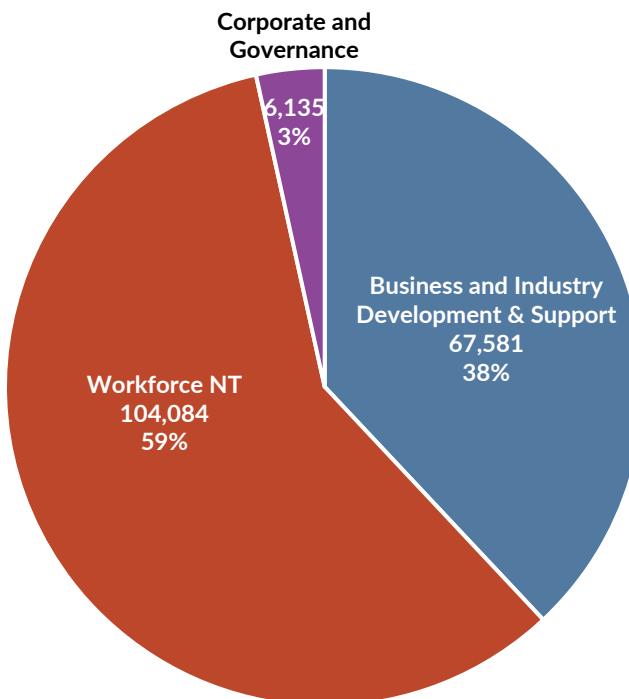
The creation of the new department resulted in a net loss of 122 FTE and a decrease in expenditure of \$14.5 million from 2015-16 to 2016-17. This change is primarily attributed to the transfer of regulatory and policy functions to the Departments of the Attorney General and Justice and Health.

2015-16 Expenditure by Output Group \$'000



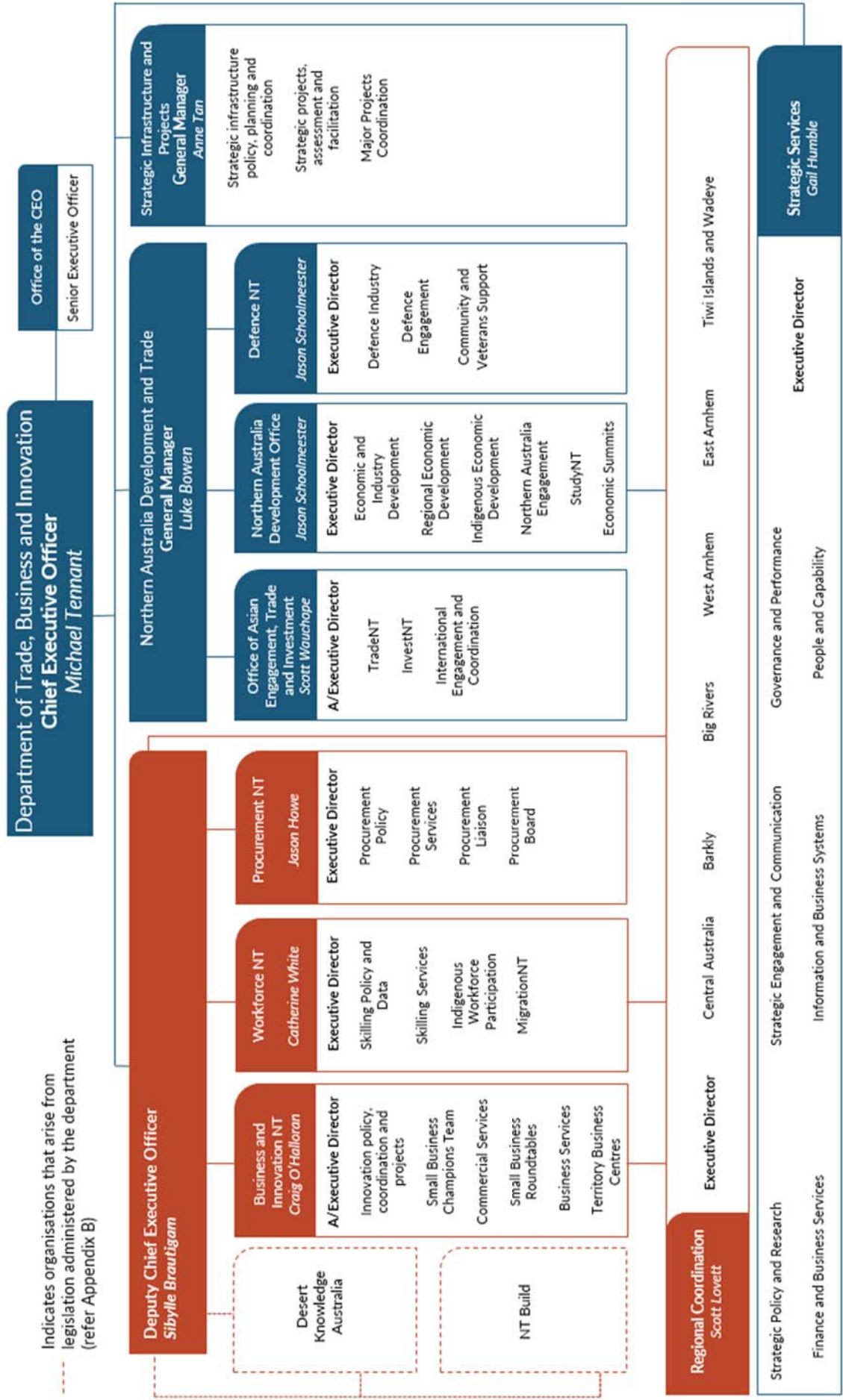
During 2015-16, Business and Industry Development and Support output group included Business Support and Innovation NT, Strategic Policy, Procurement NT, Red Tape Abolition Squad, Office of Asian Engagement, Trade and Investment, and Migration NT; Workforce NT output group included Training NT; Policy and Regulatory Support includes Licensing NT and NT WorkSafe.

2016-17 Expenditure by Output Group \$'000



During 2016-17, Business and Industry Development and Support Output Group included Business Support and Innovation NT, Strategic Policy, Procurement NT, Northern Australia Development and Trade, and Strategic Infrastructure and Projects; and Workforce NT output group included Training and Migration NT.

Organisational structure at 30 June 2017



Corporate governance framework

Framework

The department's governance structures aim to ensure outcomes are achieved in a way that enhances confidence in the department, its decisions and actions.

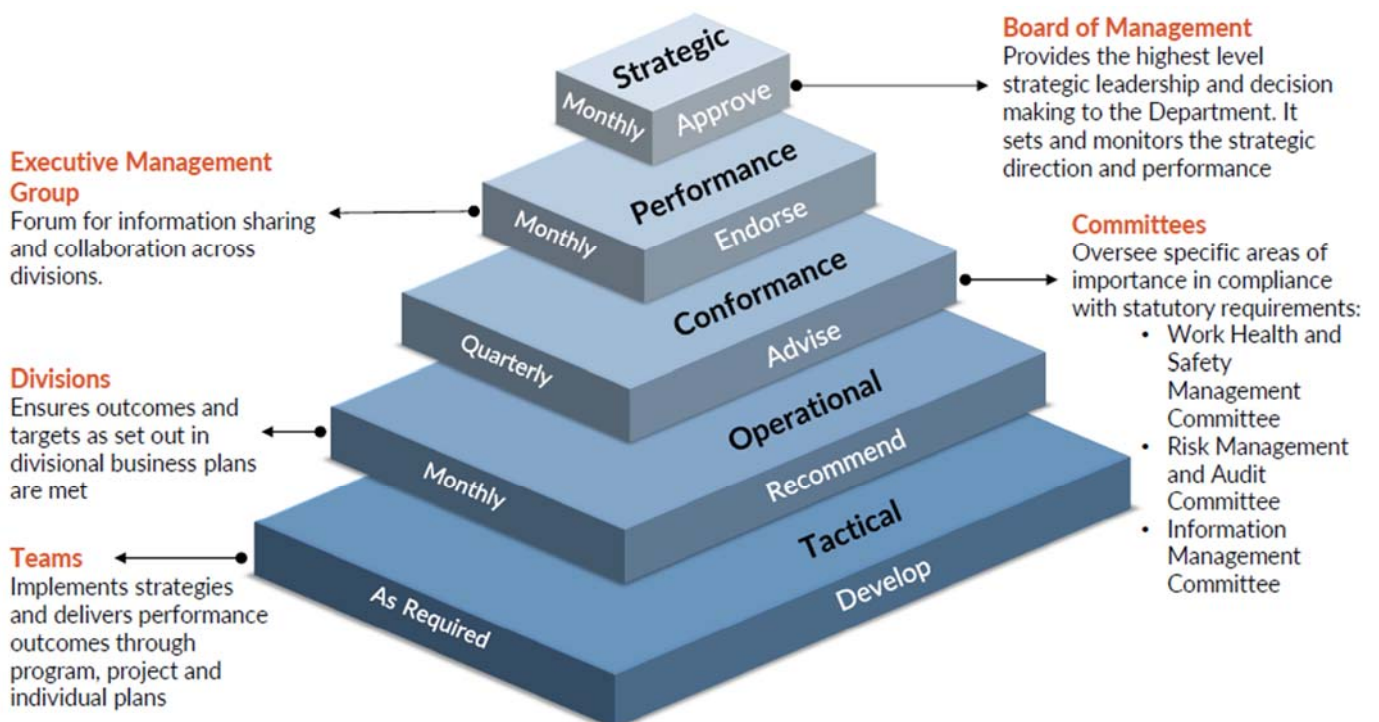
The department's corporate governance is guided by the following principles:

- **Performance:** ensuring our governance arrangements positively contribute to overall performance and the delivery of our services and programs.
- **Conformance:** using our governance arrangements to meet legislative requirements, comply with necessary regulations and standards and satisfy expectations of probity, accountability and transparency.

The department operates with a whole of enterprise approach to risk management. Strategies are set under corporate planning processes. Risks to achieving strategies are managed and performance against strategic objectives are measured and reported.

Structure

The department reviewed its Governance Framework creating the Board of Management and redefining the role of the Executive Management Group on the 17 January 2017. The following diagram presents the department's governance, advice and decision-making structures.



Legislative framework

Under the Administrative Arrangements Orders, the department is responsible for the principal areas of government and administering the legislation detailed in Appendix A.

Governance bodies

Board of Management

The Board of Management (BOM) provides the highest level strategic leadership and decision making to the department. It sets and monitors the strategic direction and performance of the department.

The BOM met five times since its creation in January 2017.

Board of Management membership at 30 June 2017:

Role	Position	Name
Chair	Chief Executive Officer	Michael Tennant
Member	Deputy Chief Executive Officer	Sibylle Brautigam
Member	General Manager Northern Australia Development and Trade	Luke Bowen
Member	General Manager Strategic Infrastructure and Projects	Anne Tan
Member	Executive Director Strategic Services	Gail Humble
Member	Chief Financial Officer	Lisa Strohfeltdt
Secretariat	Senior Executive Officer	Chantelle Hughes

The following groups and committees assist the Board in its operations:

- Executive Management Group
- Risk Management and Audit Committee
- Information Management Committee
- Work Health and Safety Management Committee.

Executive Management Group

Prior to the creation of the Board of Management the Executive Management Group's (EMG) role was to oversee high-level operations of the department and set strategic directions.

In its current form the EMG is established as a forum for information sharing on department priorities and to identify opportunities for collaboration and innovation across the department.

The EMG met 13 times during 2016-17 including two strategic planning sessions.

Its membership at 30 June 2017 comprises the Chief Executive Officer, Deputy Chief Executive Officer, each of the General Managers, all Executive Directors and the Chief Financial Officer.

Risk Management and Audit Committee

The Risk Management and Audit Committee provides independent assurance and assistance to the Chief Executive Officer in the areas of statutory reporting, internal control systems, risk management systems, and audit.

The Committee met four times during 2016-17.

Membership at 30 June 2017:

Role	Position	Name
Independent Chairperson	Governance consultant and past Auditor-General for the Northern Territory (1995-2002)	Iain Summers
Member	Deputy Chief Executive Officer	Sibylle Brautigam
Member	General Manager Northern Australia Development and Trade	Luke Bowen
Member	General Manager Strategic Infrastructure and Projects	Anne Tan
Member	Executive Director Workforce NT	Catherine White
Member	Executive Director Major Projects	Kelvin Strange
Member	Executive Director Procurement NT	Jason Howe
Observer	Chief Financial Officer	Lisa Strohfeldt
Secretariat	Manager Governance and Performance	Anna Collins

Summary of work performed during 2016-17

- Provided oversight on the incorporation of risks from incoming divisions into the Strategic Risk Register.
- Monitored the Strategic Risk Register identifying key risks to the department achieving its objectives.
- Monitored the Fraud Control Plan identifying key fraud risks to the department and their compensating controls.
- Provided oversight of two internal audits in accordance with the Internal Audit Plan
- Provided oversight of two internal audits as directed by the NT Government.
- Provided oversight of the implementation of audit recommendations from external audits.
- Monitored the Register of Audit Findings and the implementation of audit recommendations.
- Provided an executive summary report to the Chief Executive Officer after each meeting.
- Provided the Chief Executive Officer with assurance that the department has met its obligations under the Treasurer's Directions 3.2 and G2.2.

Internal audits conducted for the period 2016-17

- **Home Improvement Scheme Audit, Business and Innovation NT**
The objective of this audit was to review the effectiveness of the design and implementation of the Home Improvement Scheme 2016 (round 1).
- **Grant and Event Management Review, Department wide**
The objective of this audit was to review the process and practices of managing grants and events across the department, provide an opinion on risk and provide recommendations for improvements to manage risk.
- **Department of Trade, Business and Innovation Compliance with NT Government Air Travel Policy Audit x 2**
The objective of this audit was to review the compliance of the department with the NT Government Air Travel Policy.

External audits conducted by the Auditor-General during 2016-17

- **Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) Financial Data Audit undertaken by the Auditor General.**
The department is responsible for the preparation and fair presentation of the Summary Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) Financial Data for the Northern Territory in accordance with the requirements of AVETMISS, *The Standard for VET Financial Data*.

The objective of this audit was to express an opinion on the certified AVETMISS financial data acquittal statement.
- **Performance Management Systems Audit – Gifts and Benefits**
The objective of this audit was to assess and test, with reference to a representative number of transactions or other suitable evidence, the adequacy of the systems developed by the Accountable Officer to achieve compliance with their accountability and control requirements and form an opinion on whether the Agency's Gifts and Benefits Framework is adequate.
- **Agency Compliance Audit**
Agency compliance audits are intended to ascertain the extent to which Agencies' Accountable Officers have implemented and maintained procedures that assist in ensuring that the requirements set out in Acts of Parliament, and subordinate and delegated legislation, are adhered to.
- **End of Year Review**
The objective of this review was to assess the adequacy of selected aspects of end of financial year controls over reporting, accounting and material transactions and balances, with the primary purpose of providing support to the audit or the Treasurer's Annual Financial Statements.

Priorities for 2017-18

- Review the Internal Audit Charter and Risk Management Plan for the department.
- Review and implement the Internal Audit Plan aligned to risk registers.
- Oversee the implementation of outstanding audit recommendations and any other audit findings that may arise during 2017-18.
- Monitor the review of the strategic risk register aligned with Strategic Directions 2017-2021 for the department and subsequent reviews throughout the year.
- Oversee the review of the operational risk register to align with business plans for 2017-18 and subsequent reviews.
- Continue to have oversight of the schedule of external non-financial audits.
- Evaluate the performance of the Committee in accordance with its Terms of Reference.

Work Health and Safety Management Committee

The Work Health and Safety Management Committee assists the Chief Executive Officer to meet the department's obligations under the *Work Health and Safety Act*.

The Committee ensures the department is engaging employees to identify and manage workplace risks through the support of workplace committees.

The Committee reports to the Board of Management on the cost and impact of workplace incidents including workers compensation claims and other workplace incidents reported through the online incident reporting system.

The Committee met three times during 2016-17.

Membership at 30 June 2017:

Role	Position	Name
Chair	Regional Executive Director	Scott Lovett
Secretariat	Senior Human Resources Consultant	Troy Walsh
Member	Director Human Resources	Shirley Wilkshire
Member	Executive Director Strategic Services	Gail Humble
Member	A/Director Workforce Initiatives	Tim Nicol
Member	Director Business Development	David Boustead
Member	A/Executive Director Office of Asian Engagement and Trade	Scott Wauchope
Member	Manager Governance and Performance	Anna Collins

Summary of work performed during 2016-17

- Commenced development of a WHS Wellbeing Initiative that will promote and support health in the workplace through a range of programs.
- Maintained the Work Health and Safety Policy and Framework.
- Monitored and reported on the number and cost of new and existing Workers Compensation claims.
- Monitored and reported on the number of workplace incidents recorded in the online incident reporting system.
- Completed a review of employee induction processes. In collaboration with People and Capability a self-guided Work Health and Safety awareness module was incorporated as part of the online induction and orientation process.

Priorities for 2017-18

- Implement activities aligned to strengthening health and wellbeing in the workplace.
- Continue to ensure the department complies with its requirements under the Act.
- Strengthen employee contributions to Work Health and Safety initiatives through a volunteer recognition program for WHS volunteers, including fire wardens and first aid officers.

Information Management Committee

The Information Management Committee (IMC) implements and monitors the department's Information Communication and Technology (ICT) policies, strategies and performance.

The Committee ensures integration and alignment of ICT architecture and business objectives across the department and NT Government, ensuring oversight of department ICT projects and compliance with the NT Government ICT Governance Framework and Treasurer's Directions.

The ongoing review and reporting of ICT activities ensures consistency with NT Government policy and the strategic objectives of the department, ensuring cost efficient and consistent decision-making.

The IMC met three times during the 2016-17 year.

Membership at 30 June 2017:

Role	Position	Name
Chair	Executive Director Workforce NT	Catherine White
Secretariat	Director Information and Business Systems	Helen Perry
Member	Executive Director Northern Australia Development Office	Jason Schoolmeester
Member	Director Innovation	Michael Williams
Member	Director Grants	Bardia Bodaghi
Member	A/Executive Director Business and Innovation NT	Craig O'Halloran
Member	Director Strategic Engagement and Communication	Wendy Pritchard

Summary of work performed during 2016-17

- Continued to facilitate the ICT Project Approval Framework
- Oversaw the implementation of the Customer Relationship Management System (CRM) via the CRM Strategic Working Group
- Reviewed and endorsed the business case for the People and Capability eLearning project
- Developed and implemented IT policies for Email, Internet and Mobile Devices
- Oversaw a review of the Workforce NT Training Contract Management System (TCMS).

Priorities for 2017-18

- Review and update the ICT Strategic Plan and the ICT Innovation Framework to align with the DTBI Strategic Directions 2017-2021.
- Support the Information Business Systems unit to implement the CRM Roadmap.
- Continue to support accountability with the continuous improvement of policy and Project Approval Framework.

Performance Reporting

This section highlights the department's strategic priorities obtained from election commitments, the 2016-17 Budget Paper No.3, previous strategic directions of the Department of Business and incorporates new priorities that became a focus for the department since the Northern Territory Government Election in August 2016.

Business and Innovation NT

Overview

Business and Innovation NT was a division of the Department of Business previously known as Business NT. The division fosters increased competitiveness and productivity of NT businesses and priority industry sectors through targeted grant, upskilling and innovation programs; business services; and Aboriginal enterprise development.

The division's role is to:

- support business and not-for-profits to start.run.grow. through assistance programs and grants
- provide support and information through Territory Business Centres and Small Business Champions
- support innovation initiatives
- support the Small Business Roundtables.

The division contains the following business units:

- Innovation Policy, Coordination and Projects
- Small Business Champions including business roundtables
- Commercial Services
- Business Services including Territory Business Centres
- Economic Stimulus Grants.

As at 30 June 2017 Business and Innovation was led by Craig O'Halloran, Acting Executive Director.

Key Performance Indicators

	2015-16 Actual	2016-17 Budget	2016-17 Actual
Business and Innovation NT			
Contacts with Territory Business Centres for licence and business services ¹	161 334	140 000	182 173
October Business Month participation	9 332	7 000	7 101
October Business Month participation satisfaction ²	95%	95%	97%
Upskill Workshop participation ³	511	500	618
Upskill Workshop participant satisfaction	99%	95%	94%
Businesses assisted through the Business Growth Program ⁴	219	200	301
Value of grants and sponsorships to support business and industry development ⁵	\$9.9M	\$6.6M	\$8.3M
Number of business round tables held ⁶	--	6	5
Satisfaction of business with the Business Growth Program ⁶	--	94%	97%
Number of businesses supported through the innovation program ^{6,7}	--	50	21

1. Increase due to enquiries regarding economic stimulus grant programs.

2. The satisfaction rating for OBM is taken from the overall satisfaction ratings on the evaluation forms relating to Venue, Content and Presenter (those that rank themselves as satisfied or very satisfied).

3. Increase reflects elevated interest from the business community in the current business climate, and improved content relevance.

4. Additional Small Business Champions and a higher demand from the business community resulted in an increase.

5. Increase is due to additional funding and partial reallocation of department funds in order to meet government priorities.
6. New measure. Figures for 2016-17 actuals are taken from 2016-17 estimates in 2017-18 budget.
7. While 57 applications were received, only 21 businesses met the criteria for the Business Innovation Support Initiatives grants program to be awarded funding in the 2016-17 financial year.

Strategic Priorities

Delivering services and events to support businesses and industries

Business and Innovation NT is a starting point for local business, not-for-profit and Aboriginal enterprises to improve profitability, sustainability and capability through the start.run.grow. process.

The division provided the following services and events in 2016-17:

- The Business Growth Program offered information, funding and development services to improve the performance, profitability, employment levels and market penetration of NT businesses, not-for-profit organisations and Aboriginal enterprises. Over \$1.7 million in funding was provided to assist 301 businesses to engage professional business consultants.
- The Smarter Business Solutions Program assisted NT businesses, Aboriginal enterprises and not-for-profit organisations to reduce their day-to-day energy, water and material costs by offering:
 - technical advice on contemporary efficient technologies and practices
 - surveys to assess potential cost saving opportunities
 - initiatives and grants to implement cost saving measures.

Further detail on this program can be found on page 21.

- The Indigenous Business Development Program supported emerging and established Aboriginal owned and operated businesses to enter or expand commercial business arrangements. Further detail can be found on page 21.
- The Community Based Childcare Program assisted 21 community based childcare centres in the NT with strategies to develop strong financial status and long term sustainability of the organisation.
- The Industry Development Support Program provided \$3.1 million in grants to 12 peak industry bodies to assist with industry sector development.
- The Business Upskills program ran 36 workshops across the NT with 618 attendees at a cost of \$115 038. The workshops were facilitated by industry experts to provide a practical, hands on and informative experience to help business owners develop and strengthen their business practices.
- In addition to workshops provided through the Business Upskills program, two 'Managing Business in Tough Times' workshops were delivered in Darwin and Palmerston in early 2017. These workshops were developed in response to feedback from small businesses on cash flow stress, with over 30 attendees.
- Territory Business Centres located in Darwin, Alice Springs, Katherine and Tennant Creek are the initial point of contact for business and licensing information and applications, planning assistance and referral to the department's assistance programs.

There were 182 173 contacts with Territory Business Centres for licence and business services this financial year (including over the counter, phone, email and online).

- October Business Month (OBM) 2016 was promoted as the NT's premier annual business event. The month-long program of workshops, seminars and conferences provides business owners, managers and staff with professional development and networking opportunities to increase their business capability and promote economic growth.

There were 158 events held during OBM 2016 and feedback from the 7 101 participants was positive with:

- 87% of participants indicating that as a result of attending they had learnt something new that could be applied to their business
 - 90% of participants expecting to improve or change some aspect of their business practices.
- OBM 2016 introduced Territory Business Heroes, where seven local business owners shared their story and tips for success in small business. Nhulunbuy Business Week was also introduced to the 2016 program which included 15 events and 400 attendees.
 - The department has held training courses and events, seminars for entrepreneurship and innovation networking events aimed at facilitating partnerships and encouraging the development of innovative business ideas.
 - The department provided assistance to Inspiring Australia-NT to deliver a program of community and school science events, digital literacy and coding skills for teachers and students. Inspiring Australia-NT is a partnership with Charles Darwin University, Museum and Art Gallery NT and Engineers Australia NT.
 - The department represented the government's innovation agenda through Commonwealth organisations such as AusIndustry and the Commonwealth State and Territory Advisory Committee on Innovation.

Details of grant recipients are available in Appendix C.

Establish a Small Business Champions Unit within the department

The department delivered the election commitment to establish Small Business Champions, by redesigning the Business Development Officer roles.

Twenty-four SBCs are now based across Darwin, Katherine, Nhulunbuy, Tennant Creek and Alice Springs providing services across the Territory.

SBCs offer one-on-one client management and support to assist small businesses and other local entities to:

- meet business challenges
- develop capabilities
- navigate department and government services, licensing permits and approvals.

Over 2 432 'business snapshots' were completed with NT small businesses, Aboriginal enterprises and not-for-profit organisations and in excess of \$3.9 million was provided to 452 businesses through Business Engagement grants and services this financial year.

Information received through the SBCs business snapshots informs the DTBI Business Confidence Survey quarterly reports which provide government, industry and business with statistically significant information on the outlook and confidence of business.

Support small business to enter into joint ventures with larger companies

The department supports small business to enter into joint ventures through a range of services and programs including:

- providing funding to the Business Enterprise Centre for one on one advice on areas such as business structures and tax issues to businesses looking to enter joint ventures
- facilitating 'Just in Time' workshops to businesses that provide access to professional advice on entering in joint ventures
- aligning SBCs to peak bodies, such as the Chamber of Commerce, to facilitate relationships and communication between business and peak bodies and government.

Professional development sessions for SBCs focussed on understanding business structures to strengthen and enhance support services to businesses.

Introduce a formal mentor/network component to new and existing grants programs

There has been an increased focus on mentoring small business through a range of services including the Mentor Support Program which forms part of the Business Growth Programs.

The Mentor Support Program helps mature businesses, not for profit organisations and Aboriginal enterprises who, whilst operating successfully and with a developed business plan, would like additional mentored help. Businesses that qualify for the program have the opportunity to work with an industry expert who will mentor on specific issues to help improve performance and achieve business goals.

Set up small business-focused Energy Smart and Water Smart programs

The Smarter Business Solutions (SBS) program offers free advice and grants to NT businesses, Aboriginal enterprises and not-for-profit organisations to help reduce their day-to-day energy, water and material costs.

This financial year the SBS program has:

- assisted 51 businesses to identify cost savings and efficiency initiatives and provided over \$680 000 in grant assistance
- conducted 38 site surveys to NT businesses, identifying cost saving opportunities and initiatives to reduce costs and improve efficiency.

The \$680 000 in grant support has leveraged a further \$2.4 million investment from NT businesses into cost saving initiatives; the majority of which saw equipment purchased and installed by NT businesses in line with the 'Buy Local' component of the grant policy.

The accumulated savings to SBS participants is approximately \$600 000 with an estimated reduction of 1 758 tonnes of carbon dioxide emissions this financial year.

Growing Indigenous businesses and continuing to improve Aboriginal employment outcomes

SBCs serviced regional and remote areas throughout the year with a monthly visitation schedule to 15 major remote communities. These visits allowed SBCs to identify future Aboriginal entrepreneurs and support the delivery of Business in the Bush workshops.

The Indigenous Business Development Program provided grant funding to support emerging and established Aboriginal owned and operated businesses to start or expand their enterprises. Over \$1.3 million in grants were provided to 79 businesses that demonstrated sound commercial practice and viability to help increase profitability, sustainability and capability.

Reintroduce Business Roundtables

The department established Small Business Roundtables to gain feedback from small business and encourage greater engagement and consultation between the government and small businesses across the NT.

The Chair of the Small Business Roundtables was responsible for following up issues raised during the meetings and SBCs were available to provide advice back to attendees as required.

There were five roundtables held across the Territory in Darwin, Alice Springs, and Katherine in 2016-17. The roundtables captured the concerns from business on:

- the application and understanding of the Buy Local Plan,
- a downturn in retail trade and the cost to businesses from anti-social behaviour
- support for the tourism industry
- support for Aboriginal opportunities such as a cultural centre in central Australia
- the consistency in application of the Aboriginal employment policies
- increasing the use of renewable resources for residential and business premises.

Strengthening the Territory innovation agenda to increase business competitiveness

The Territory innovation agenda has been strengthened through the following priorities outlined in this report:

- Innovation Hubs (page 22)
- Development of local 'Angel Investor' groups in the Northern Territory (page 22)
- Host innovation and entrepreneurial focused events with attached seed funding (page 23)
- Expand the reach of the Business Innovation Support Initiative (BISI) Grants Program (page 23)

Since February 2017, the department has been developing an innovation ecosystem which will bring together innovators, their prospective customers, investors, NT stakeholders, government, and the knowledge sector (including CDU, national and international institutions, other businesses and industry associations). The innovation ecosystem will leverage human, material and financial resources to create dynamic new businesses and is expected to launch in 2017-18.

Fund a scoping study to identify opportunities for innovation hubs

The department completed a scoping study in May 2017 to establish NT innovation hubs for Darwin and remote regions.

The department supported Paspalis and Charles Darwin University to secure \$500 000 of Australian Government funding to set up the Darwin Innovation Hub. This was matched by a contribution of \$250 000 from the NT Government. The Darwin Innovation Hub will open in July 2017.

Initial discussions were held in March 2017 with Desert Knowledge Australia (DKA) regarding the potential for a business innovation hub in Alice Springs to be progressed as a future priority.

Development of local 'Angel Investor' groups in the Northern Territory

The department has worked to create a formal Business Angel Network to develop local 'Angel Investor' groups in the NT. A key step in this process was securing the below events for the NT:

The Australia Post Regional Pitchfest will be held July 2017. This competition will provide Territorians with an opportunity to pitch their business or ideas to a live audience and expert panel for the chance to win a share of \$100,000 in prizes.

GovHack will be held for the first time in the NT in July 2017. The event celebrates technical and creative capacity, opens the door for individuals and business to collaborate with governments, and helps advance the cause of open data to drive social and economic value.

Host innovation and entrepreneurial focused events

The department established the 'Minties' as an innovation network to help drive the Territory innovation agenda. 'Minties' held meetings, conferences and events throughout the year and partnered with AusIndustry to hold an Innovation @ NADO event on 14 April 2017 that was aimed at:

- bringing together researchers, product developers, businesses owners and interested stakeholders to network and unpack Darwin's innovation environment
- finding and developing spinoffs, collaborative partnerships and uncover potential opportunities through research and development work being carried out in the Territory.

The Oxford University Innovation Masterclass in November 2016 was also sponsored by the department in conjunction with AusIndustry. The event delivered information to support an in-depth understanding of key innovation management principals, tools and techniques. Participants were also skilled in ways to find and seize new opportunities to prepare businesses for global expansion.

The department contributed \$100 000 to Inspiring Australia-NT, a partnership with Charles Darwin University, the Museum and Art Gallery NT and Engineers Australia NT, in June 2017. The funding helped Inspiring Australia-NT to deliver a program of community and school science events such as digital literacy and coding skills for teachers and students. The department further supported Inspiring Australia-NT through chairing the committee and attending the NT Science Week planning committee.

Expand the reach of the Business Innovation Support Initiative (BISI) Grants Program

The Business Innovation Support Initiatives (BISI) grants and voucher program helps Northern Territory start-up companies and established small to medium sized enterprises undertake research and development which could lead to new products, processes or services. Projects are supported in the areas of science, engineering, technology and design.

A review of the existing BISI program was completed in June 2017 to incorporate feedback and insights gained during the Territory Economic Summits and an increased focus on regional centres. The 2017-18 program will reflect the outcomes of this review.

An Innovation Roadshow has been developed to be delivered in regional areas in 2017-18. This roadshow will take innovation ideas and concepts to remote communities and promote the BISI program.

Economic Stimulus Grants Programs

The department administers three grant programs as part of the NT Government's economic stimulus package; the Home Improvement Scheme (HIS), the Immediate Works Grants (IWG), and first homebuyer Home Renovation Grants (HRG).

As at 30 June 2017, the total value of economic stimulus grants paid out was over \$52 million consisting of:

- \$19.3 million in Immediate Work Grants (IWG) to fund improvements, repairs and maintenance to not-for-profit and community organisations' service facilities and premises
- \$30.2 million in Home Improvement Scheme (HIS) vouchers
 - \$12.3 million for the first round HIS which closed in 2016
 - \$17.9 million for the second round HIS which closed in 2017
- \$3.1 million in the Home Renovation Grants (HRG) directed at first homebuyers of an existing property

The estimated impact of these economic stimulus programs on the Territory economy was greater than \$200 million. Further details on the economic stimulus grants is available in Appendix C.

Implementing a voucher program for Territory home owner-occupiers to undertake home improvements using Territory small businesses

The Home Improvement Scheme was rolled out on 24 May 2016 allowing homeowners to apply for a voucher up to \$2 000 (excluding GST) on a 50:50 matching basis from 5 June 2016 for improvements to their home.

- Over 1 100 small businesses participated in the scheme and more than 8 800 applications were received until the scheme closed on 01 October 2017.
- Over 7 000 applications worth \$12.3 million in grants were approved with an estimated economic impact greater than \$66 million (direct and indirect).

The HIS closed to new applications on 1 October 2016.

Subsequently, a new scheme commenced on 5 February 2017 and the new scheme provided up to \$4 000 (excluding GST) on a 50:50 co-contribution basis for eligible homeowners to undertake improvements on their principal place of residence, applicants could receive up to \$2 000 (excluding GST) if they had already received a voucher under HIS 2016.

The new scheme closed to applications on 2 June 2017 as high volume of applications were received and all allocated funds were committed.

- Over 1 500 small businesses participated in the scheme and more than 8 800 applications were received by the time the scheme closed on 2 June 2017.
- Over 6 400 applications worth \$17.9 million in grants were approved with an estimated economic impact greater than \$83 million (direct and indirect).

First home buyer renovation and whitegoods grants

The Home Renovation Grants (HRG) provides up to \$10 000 for first home owner's to renovate a newly purchase established property in the NT. Of the grant, up to \$2 000 can be spent on household goods.

The HRG, is available to first home buyers also eligible to receive the First Home Owner Discount (FHOD)

The HRG was available from 1 September 2016 and will be available until August 2018.

As at 30 June 2017:

- 397 first home buyers have applied for the Home Renovation Grant and 327 have been approved
- \$3.1 million worth of grants have been issued
- the program's estimated economic impact is \$5.8 million.

Immediate Works Grants

On 27 November 2016, a \$22 million Immediate Works Stimulus Package was announced as part of the NT Government's infrastructure plan. Of this amount, \$10 million in Immediate Work Grants (IWG) was made available to eligible not-for-profit community organisations to carry out repairs, maintenance and improvements to their premises or facilities using local businesses.

Due to the program's popularity and oversubscription the closing date for applications was brought forward from 30 April 2017 to 3 March 2017.

On 6 April 2017, the Treasurer announced an additional \$20 million for the IWG to ensure all applications received by the closing date could be assessed and, if approved, funded.

As at 30 June 2017:

- All 319 applications received have been assessed or are under assessment
- 227 applications have been approved and 563 vouchers worth \$19.3 million have been issued
- the program's estimated economic impact is \$45.5 million.

Future Priorities 2017-18

Deliver the Start, Run, Grow stimulus and other programs

The department will continue to deliver a suite of business programs that support businesses to start.run.grow. To more effectively assess the impact of programs and services the department plans to implement an evaluation framework, as outlined on page 50.

Deliver the NT Business Innovation Plan

Preparation of the NT Business Innovation Plan is in progress and will be delivered in 2017-18. The NT Innovation Plan will deliver key actions identified in the Economic Development Framework and realise goals set in the department's Strategic Directions (2017-21). The Plan will strengthen the innovation ecosystem through a range of initiatives including support for start-ups and entrepreneurs; and facilitation of research and innovation partnerships.

Support and expand an ecosystem of creative, innovative and adaptive businesses across priority industries

The NT Business Innovation Plan will support the expansion of the innovation ecosystem across the priority industries identified in the Economic Development Framework.

Establish an Innovator in Residence Program

The department has conducted initial research on an Innovator in Residence Program through a scoping study for innovation hubs and a study of Innovator in Residence models.

The program will support innovation across the NT at three levels:

- single company initiatives
- clusters of companies' initiatives
- government led innovation.

Introduce a focussed Aboriginal innovation project in Alice Springs

The department held initial discussions with Desert Knowledge Australia (DKA) and the Centre for Appropriate Technology (CAT) in March 2017. A feasibility study will be completed in 2017-18 to identify appropriate project locations, themes and stakeholders.

Room to Breathe initiative

The department will work collaboratively with the Department of Community and Housing to deliver an Aboriginal Business Engagement Strategy. This will include tailored programs to build capacity and opportunities for Aboriginal enterprise to benefit from the "Room to Breathe" initiative.

National Disability Insurance Scheme (NDIS)

Through the National Disability Insurance Scheme (NDIS) Business Readiness Program, the department will support a stronger NT disability service and better understand sector issues in readiness for the NT roll-out of the NDIS.

Workforce NT

Overview

Training NT was a division of the Department of Business and during the establishment of the Department of Trade, Business and Innovation became known as Employment and Skilling NT. Workforce NT is the outcome of a structural review in March 2017 to ensure the division is best positioned to deliver on government priorities.

Workforce NT provides whole-of government advice on industry reforms impacting on employment and skilling issues, develops and capitalises on employment opportunities through Aboriginal workforce participation, skilled migration and adult vocational education and training.

The division includes the following units:

- Workforce Initiatives
- MigrationNT (previously with Office of Asian Engagement, Trade and Investment)
- Strategic Policy and Data Analytics

Catherine White was the Executive Director of Workforce NT as at 30 June 2017.

Key Performance Indicators

Workforce NT	2015-16 Actual	2016-17 Budget	2016-17 Actual
Apprenticeship and traineeship commencements	2 135	2 200	2 015
Apprenticeship and traineeship completions	1 084	1 000	1 044
Training participation rate ¹	12%	10%	12%
Successful training completions	83%	80%	81%
Proportion of graduates in employment or further study	90%	90%	92%
Proportion of graduates satisfied with overall quality of their training	87%	85%	88%
Business and skilled migration visas for nominations and sponsorships assessed ²	1 356	1 600	3 160
NT Designated Area Migration Agreement endorsements ^{3,4}	--	25	27
Indigenous Workforce Participation Program:			
– additional people in jobs ⁵	332	350	494
– supported business and organisations ⁵	106	75	116

1. Participation (age 15-64) in all publicly funded VET and fee-for-service activity by public providers.

2. Increase was due to changes to the General Skilled Migration Program visa criteria, the occupation lists and eligibility criteria by other States and Territories. Applicants that could not get their nominations in other states or territories applied in the NT.

3. Due to a restructure in 2016-17 this measure moved from Asian Engagement, Trade and Investment.

4. New measure.

5. Due to a restructure in 2016-17 this measure moved from Business and Innovation NT.

Strategic Priorities

Modernising the Territory's vocational education and training system

The *Training and Skills Development Act* was enacted on 5 July 2016 and repealed the *Northern Territory Employment and Training Act*.

The Industry Skills Advisory Council Northern Territory (ISAC-NT) was incorporated on 6 May 2016 with a nine-member governing board and became operational on 1 July 2016.

The department is developing the Vocational Education and Training (VET) Investment Framework (VIF). The VIF will:

- provide greater accountability and transparency of investment
- allow for growth in the training market
- guide the allocation of public funds for the delivery of training
- include skills modelling to identify future NT labour and training demand and skills shortages.

Continue worker attraction program and promote the Northern Territory Worker Database as a way of connecting employers with potential workers

The NT Worker Attraction Program is designed to increase awareness of the benefits of living and working in the Territory. This is achieved through a range of local, national and international events in 2016-17. These included:

- hosting NT Government 'Work and Live in the NT' seminars in Hobart, Perth and Adelaide
- participation at the International Consultants for Education and Fairs Australia and New Zealand under the Team NT approach in Cairns
- international attraction events held in:
 - Sri Lanka
 - China
 - Singapore
 - India
 - the Philippines
 - Vietnam
- presenting Seasonal Worker Program Information sessions in Timor-Leste.

The Territory Worker Database is an online system designed to connect employers with job seekers and the department commenced scoping to redevelop the system in May 2017.

Work with the private and NGO sector to improve the overall employment of people with disability

The NT equity training grants improve training and employment outcomes for disadvantaged people in the Northern Territory. The 2017 grants round prioritised applications that assisted people with a disability.

The programs provide accredited and non-accredited training, mentoring and support to assist the participant in transitioning into open or supported employment, or further vocational education and training.

Fund foundation skills for Indigenous workers

The VET Investment Framework (VIF) will guide the allocation of public funds for the delivery of training in identified need areas, such as foundation literacy and numeracy skills, with support available under:

- general skills
- apprentice/trainee
- targeted and responsive programs.

Reposition the existing Indigenous Responsive Program and Indigenous Workforce Participation Initiatives program

The department continued to support initiatives to increase Aboriginal participation in the labour force through its advisory services and grant programs:

- Indigenous Responsive Program
- Indigenous Workforce Participation Initiatives Program.

The focus for the Indigenous Workforce Participation Initiatives and the Indigenous Responsive Programs have been broadened to provide additional services including foundation skills, support for pre-employment and mentoring where they are part of projects that will deliver more jobs or make employment more sustainable for Aboriginal Territorians.

The two programs formed the new Aboriginal Employment Program from 1 July 2017.

Growing Indigenous businesses and continuing to improve Indigenous employment outcomes

In 2016-17, the Indigenous Responsive Program delivered tailored support to employers, training activities and skills development across the NT. To date, the program has supported 118 skilling projects in 46 communities across the NT with 1 557 Aboriginal participants engaged.

Indigenous workforce initiatives funding has supported 477 Aboriginal Territorians to achieve jobs, assisted an additional 64 to enhance their careers and supported 107 businesses and organisations to grow their workforce. Funding for the Local Jobs (Traineeships) Program from earlier years is continuing to achieve results, this year 17 Aboriginal Trainees entered the program with nine different employers in regional and remote communities.

Note: An allocation of \$350 000 has also been provided to help develop a local Aboriginal workforce to support the NDIS as it rolls out into remote communities.

Delivering services and events to support businesses and industries

NT Training Awards

The NT Training Awards is an annual event that recognises achievements in training excellence by Territory businesses, training organisations, trainers, apprentices, trainees, students and employers.

Finalists are recognised as part of an elite group of ambassadors who represent the Territory's best in vocational education and training.

The awards consisted of two categories, individual and organisational, with 12 awards in total.

There was record attendance at the NT Training Awards presentation function on 10 September 2016 with 570 guests, a 13% increase from 2015.

World Skills NT and National Competitions

The national competition held in Melbourne on 6 to 8 October 2016 featured 500 competitors representing 60 skills.

Georgia English from Darwin was awarded gold in the VET-in-schools, Food and Beverage category.

Australian Training Awards

In November 2016, the Australian Training Awards were held in Darwin with 10 NT finalists.

The NT won two awards and was named runner up in a third category:

- Probuild (NT) Pty Ltd, won the Medium Employer of the Year Award
- Isabel Osuna-Gatty won the Excellence in Language, Literacy and Numeracy Practice Award
- Dawn Ivinson was the runner up in the Aboriginal and Torres Strait Islander Student of the Year Award.

Other events and services

Through MigrationNT the department:

- delivered NT Employer Information Sessions under the NT Worker Attraction Program. These sessions inform employers of their skilled migration options and provide updates on any changes to the Skilled Migration Program
- participated in the NT Farmers Information Roadshow held in Alice Springs, Katherine, Douglas Daly and Coolalinga
- in partnership with NT Farmers and the Department of Immigration and Border Protection, the department held Seasonal Worker Program Information in Alice Springs, Ali Curang and Batchelor
- participated in the AHA NT Seminars to Wayside Inns within the Northern Territory
- presented at the 2017 AHA NT Employment & Trade Conference.

Workforce NT also contributed to October Business Month through delivering:

- “Preparing your Business to Sponsor a non-resident Worker” seminars held in Alice Springs and Darwin
- one-on-one meetings were held with businesses in Alice Springs and Tennant Creek.

Future Priorities 2017-18

Publish the annual VET Investment Plan

The annual VET investment plan will provide clarity and transparency of the NT Governments’ priorities and levels of investment in skills development.

Redevelop Territory Worker Database

The Territory Worker Database has been operational for five years. The department will review and explore options to upgrade the system to improve its administrative functionality, interface and usability for NT employers.

Commence implementation of the Vocational Education and Training Investment Framework (VIF)

The VIF aims to achieve growth in the training market and introduce contemporary funding arrangements, ensuring that investment in training is targeted towards meeting current, future and emerging skills needs.

Redesign Industry Build Skills program

Redesign and expand the Industry Build Skills program to deliver specific skill sets or qualifications in the existing workforce to strengthen and broaden industry skills

Introduce a specific Indigenous pre-employment/apprenticeship program

Introduce a specific Indigenous pre-employment/apprenticeship program to provide specific training for unskilled or semi-skilled Indigenous Territorians to gain essential industry skills that lead to jobs. This will be linked, where possible, to Australian Government programs.

Procurement NT

Procurement NT was a division of the Department of Business and is responsible for the NT Government's procurement framework and whole-of-government procurement system.

The division provides support to 13 NT Government agencies through a shared services model and incorporates the following units:

- Procurement Policy
- Procurement Services
- Procurement Liaison
- Procurement Review Board

Procurement NT was led by Jason Howe, Executive Director as at 30 June 2017.

Key Performance Indicators

Procurement NT	2015-16 Actual	2016-17 Budget	2016-17 Actual
Level of business and industry satisfaction with procurement reform program ¹	80%	80%	75%
Quality of service and advice provided to client agencies	80%	80%	88%
Percentage of Territory enterprises winning government tenders ^{2,3}	--	75%	80.4%

1. Figures may not be representative due to low sample size and response rate.

2. New measure. Figures for 2016-17 actuals are taken from 2016-17 estimates in 2017-18 budget.

3. Increase due to the strengthening of the Buy Local Plan.

Strategic Priorities

Implementing procurement reforms, including the Buy Local Plan to improve efficiency and effectiveness

Procurement NT commenced the modernisation of the Procurement Framework early in 2017, resulting in the release of the Procurement Governance Policy and Procurement Rules, superseding the former Procurement Directions, strengthening the Buy Local Plan and implementing the Value for Territory principle.

The Procurement Framework was developed to better support government's contracting practices and consists of the following resources:

- Procurement Governance Policy
- Procurement Rules (replacing the former Procurement Directions)
- best practice Planning, Sourcing and Contract Management guides.

Ensure 30% local content

Since 1 July 2016 Procurement NT undertook a number of new policy initiatives and activities to further bolster local content, including:

- limited the consideration of price in the tender assessment process to no more than 30%
- increasing local content to a minimum weighting of 30%
- prohibiting shortlisting on price alone
- introduced the 'Value for Territory' principle, replacing 'Value for Money'
- published agency forward procurement plans
- mandated the application of the 'Buy Local' requirements for all capital grant recipients
- streamlined the procurement rules
- improved industry briefing coordination across government
- developed and introduced a Contract Management Guide to support best practice contract management activities.

Introduce an independent board to oversee the application of local content

Complementing the reform work undertaken by Procurement NT, the Procurement Review Board was reviewed with a new structure endorsed in May 2017. The new structure will be implemented during the first quarter of the 2017-18 financial year, with membership to include representatives from government and industry. The new structure will also include a Buy Local Industry Advocate (BLIA) position, to better support government's local content initiatives.

Publish annual list of interstate procurement

Government commenced publishing the revised 'Northern Territory Government - Awarded Contracts' list in March 2017. The list has been revised to allow the identification of supplies awarded to non-Territory enterprises and is published monthly.

Delivering services and events to support businesses and industries

Procurement NT provides service delivery and operational support to 13 smaller NT Government agencies which do not have in-house procurement expertise.

The division assisted with 260 tenders and quotes with a total award value of \$38 million on behalf of its client agencies.

In addition, Procurement NT works to support business and industry through:

- the implementation of the new Procurement Framework
- reforms to 'Buy Local'
- the introduction of internal capability development activities.

Internal Capability Activities

Following the development of the NTPS Capability Strategy, internal capability development initiatives have been delivered to improve procurement practices, including:

- the development and implementation of a new contract management training program
- the delivery of procurement awareness sessions
- the development and delivery of 21 Scope Writing Workshops to 315 NTPS staff across Darwin, Katherine, Alice Springs and Nhulunbuy
- the development and facilitation of the 'Procurement NT Forum' in May 2017, attended by 170 NTPS staff across 18 agencies
- the facilitation of accredited procurement courses in:
 - Certificate IV in Government (Procurement and Contracting)
 - Diploma of Government (Procurement and Contracting)
 - Advanced Diploma of Procurement and Contracting.

To further support continued and consistent capability development across Northern Territory Public Sector employees, Procurement NT commenced the development of eLearning modules consistent with an end-to-end lifecycle approach.

The division also provides a procurement liaison service, responsible for responding to industry queries, assisting in the resolution of complaints, attending industry briefings and supporting the department in the development of the Tendering Essentials workshops.

Procurement NT has been working with the Procurement Review Board and significant procuring agencies to implement a number of measures supporting improved industry briefing coordination across government.

Future Priorities 2017-18

Deliver a Value for Territory capability program

The division will deliver a Value for Territory capability program consisting of the following activities:

- Delivery of additional accredited training sessions:
 - Certificate IV in Government (Procurement and Contracting)
 - Diploma of Government (Procurement and Contracting)
 - Advanced Diploma of Government (Procurement and Contracting).
- Delivery of additional non-accredited training sessions:
 - 'Procurement Awareness' Sessions
 - 'A Guide to Contract Management' workshops
 - 'Effective Scope Writing and Maximising Local Benefits' workshops.
- Launch of six eLearning modules, underpinned by the Procurement Rules, best practice guides and lifecycle.
- Delivery of a 2018 Procurement NT Forum aimed at internal stakeholders.

Introduce a Buy Local Industry Advocate and Value for Territory Assurance program

The introduction of the Value for Territory Assurance Program will reinforce the requirement to use nominated local subcontractors.

The Buy Local Industry Advocate (BLIA), appointed in the 2017-18 financial year, will better support government's local content initiatives and oversee end-to-end procurements to ensure optimal impact for government contracting.

The BLIA will:

- chair the new Buy Local Sub-committee
- audit government procurement, ensuring Buy Local Plan is adhered to
- promote Buy Local Plan to industry and within government
- monitor the effectiveness of the Buy Local Plan.

A more detailed post-tender feedback model to further support local content initiatives is currently in progress.

Continue work on procurement reforms

Over the next 12 months, Procurement NT aims to:

- update the Procurement Regulations
- finalise and implement the Planning and Sourcing best practice guides
- finalise and implement a guide to complaints management
- implement a more detailed post-tender feedback model
- undertake a review of the conditions of tendering and contract
- lead the co-development and implementation of an Aboriginal Contracting Framework

Procurement NT is undertaking the development of a complaints management framework to assist in the fair, efficient and effective handling of procurement-related complaints and other feedback. The framework will set out the government's expectations for all NT Government agencies and employees in the management of procurement-related feedback and complaints and will communicate the key principles and concepts of the NT Government procurement complaint management and feedback system.

Northern Australia Development and Trade

Overview

The Northern Australia Development and Trade (NADT) division comprises:

- Office of Asian Engagement, Trade and Investment
- Northern Australia Development Office
 - Economic and Industry Development
 - Regional and Aboriginal Economic Development
 - StudyNT
- DefenceNT.

NADT is a key driver of the Northern Australia development and International Engagement agenda and supports a diverse range of engagement activities and events.

Luke Bowen, General Manager led the division as at 30 June 2017.

Office of Asian Engagement, Trade and Investment

The Office of Asian Engagement, Trade and Investment (OAETI) was a division of the Department of Business and leads the NT Government's international engagement. It works with foreign governments, private sector and community organisations to market and advance the Northern Territory's interests overseas.

Working closely with other NT Government agencies to ensure that the Territory's international engagement efforts are coordinated effectively, the team also liaises with local companies to help position them to win business with overseas counterparts.

OAETI comprises three branches:

- TradeNT
- InvestNT
- International Engagement and Coordination.

The team was led by Scott Wauchope, Acting Executive Director as at 30 June 2017.

Key Deliverables

	2015-16 Actual	2016-17 Budget	2016-17 Actual
Asian Engagement, Trade and Investment			
Sub-contract commitments benefiting local business from the Ichthys liquefied natural gas project ¹	750	400	644
Stakeholder satisfaction with facilitation of trade and investment opportunities for Territory companies	80%	85%	83.3%
Number of visits to international priority markets	14	12	19
Stakeholder satisfaction with Trade Support Scheme	85%	85%	96.3%

1. Increase was due to local business capability being higher than anticipated and the construction phase extending 3-4 months beyond what was expected in 2015-16.

Performance Reporting

Implementing the Asian Engagement, Trade and Investment Strategic Plan to increase Trade and Investment

OAETI commenced updating the Asian Engagement, Trade and Investment Strategic Plan 2015-2020 to align with outcomes of the Territory Economic Summits. The revised plan will be known as the International Engagement, Trade and Investment Strategic Plan and is due for release in the 2017-18 financial year.

Bring back the Arafura Games

A time limited steering committee was established and charged with developing the philosophy and guiding principles for the return of the Games.

The Arafura Games Steering Committee was led by Kate Worden, Assistant Minister for Bringing Back the Arafura Games and Multicultural Affairs. The Committee undertook a five week public consultation process from 10 February to 23 March 2017, involving a total 584 engagements.

The Committee submitted a Strategic Framework for Bringing Back the Arafura Games for consideration by government.

Coordinate whole-of-government delivery of the Ichthys LNG Project

In 2016-17 OAETI:

- co-chaired the steering committee that monitors the INPEX implementation plan
- led the involvement of NT based small to medium enterprises in NT Resources Week
- led a delegation of NT based small to medium enterprises to the Australasian Oil and Gas Conference and the Australian Petroleum Production and Exploration Association Conference
- attended the Offshore South East Asia International Oil and Gas Industry Exhibition and Conference in Singapore to promote NT supply and service capabilities, capacities and opportunities.

Delivering services and events to support businesses and industries

OAETI supported business and industry through the following events and services:

- InvestNT hosted the Trade and Investment Minister's meeting in Darwin in February 2017
- delivered four events during the October Business Month 'Asia Series' program
- supported and sponsored the NT Export Awards, with NT award winners advancing to the National Export Awards
- Trade Support Scheme approved \$398 000 in funding across 77 successful applications which helped businesses to undertake export marketing activities to promote their products and services internationally.
- NT Businesses undertook visits to 17 countries with Trade Support Scheme assistance
- NT resources week in August 2016
- South East Asia Australia Offshore and Onshore Conference (SEAAOC) the NT's Leading Oil, Gas and Petroleum Conference.

Strengthening relationships with international partners

OAETI strengthened relationships with international partners through the International Engagement and Coordination unit. Details of their activities are outlined in Appendix D.

Future Priorities 2017-18

Grow International Partnerships

OAETI plans to continue to grow international partnerships through the following activities:

- supporting the Timor-Leste bi-lateral ministerial meeting to progress and provide updates on agreed activities listed in the Joint Statement and Plan of Action including capacity building activities
- providing a leading role in the Australia/Indonesia/Timor-Leste sub regional economic development coordination initiative
- drafting a strategic partnership agreement with Timor-Leste focusing on engagement, trade and investment
- supporting the BIMP-EAGA ministerial meeting in November 2017 to progress and provide updates on agreed activities listed in the Joint Statement and Plan of Action
- developing the NT-India Engagement Strategy.

Delivering services and events to support businesses and industries

OAETI will continue to support business and industry through:

- the delivery of at least four NT-Country Business Roundtables to be held in the NT or other key Australian metros that will focus on attracting country specific attendees
- supporting the Northern Australian Investment Forum (20-21 November 2017, Cairns) by coordinating NT Government participation
- increasing trade, investment and jobs by providing financial assistance through the Trade, Support Scheme. The Scheme assists with offsetting the costs of international marketing activities
- maximising local industry participation (particularly in the petroleum sector) through promotion of local capability and capacity at key industry events
- continuing to be a major sponsor of the National Export Awards. Supporting NT Businesses attendance and participation to the awards
- providing support for Arts and Cultural Engagement Programs via:
 - Bali Artists Camp
 - Timor-Leste fashion show
 - Timor-Leste artist camp
- hosting the Heads of Mission from Association of South East Asian Nations (ASEAN) diplomatic community in Darwin
- continue to provide support to the Conference of Australian and Indonesia Youth Dialogue (CAUSINDY) program to encourage dialogue amongst younger members including financial sponsorship.

Partner with industry and business to increase trade, export and investment

OAETI plans to continue partnerships with Chinese, Indonesian, Korean and Japanese business councils and committees to increase trade, export and investment.

- **China** - OAETI has an ex-officio membership on the Australia-China Business Council (ACBC) NT Division. The division plans to participate on one agreed ACBC visit next year.
- **Indonesia** - The division has an ex-officio membership on the Australia-Indonesia Business Council (AIBC) NT Division. OAETI plans to participate on one agreed AIBC visit next year.
- **Korea** - Through membership on the Australia-Korea Business Cooperation Committee (AKBC), the division plans to participate on the annual Joint Business Conference which alternates between Australia and Korea. In 2017-18 the conference will take place in Brisbane.
- **Japan** - OAETI is a member of the Australia-Japan Business Cooperation Committee (AJBCC). The division also plans to participate on the annual Joint Business Conference which alternates between Australia and Japan. In 2017-18 the conference will take place in Tokyo.

OAETI also plans to participate in business development opportunities and joint trade missions with industry to seek out petroleum supply and service opportunities.

Northern Australia Development Office

The Northern Australia Development Office (NADO) was previously located within the Department of the Chief Minister and is an important facilitator of Northern Australia development and provides national leadership on the Northern Australia development agenda.

Acting as 'one stop shop' for stakeholders that play a part in the development of Northern Australia, there are 13 co-located stakeholders and the Australian Government Office of Northern Australia and Major Projects Facilitation Agency within NADO.

NADO was led by Jason Schoolmeester, Executive Director as at 30 June 2017. The following units are contained within the team:

- Economic and Industry Development
- Indigenous Economic Development
- Northern Australia Engagement
- Regional Economic Development (priorities outlined on pages 38-40)
- StudyNT (priorities outlined on pages 41-42)

Key Deliverables

Northern Australia Development Office	2015-16 Actual	2016-17 Budget	2016-17 Actual
Advice provided within agreed timeframes ¹	85%	85%	78%

1. Small sample size of regional responses impacted results.

Strategic Priorities

Host a Northern Territory Economic Summit

Between October 2016 and March 2017 more than 240 key organisations and over 1590 people were engaged as part of a series of consultations, public forums and summits across the NT.

Initial consultations revealed a number of common issues across industries and locations. Challenges around the key factors of production - land, labour and capital featured strongly as did enterprise and innovation, connectivity, relationships and liveability.

Input from these consultations was collated into draft documents for discussion at two Territory Economic Summits in Alice Springs (24 March 2017) and Darwin (29 March 2017).

The Summits were coordinated in partnership with Deloitte and produced an Economic Development Framework, Infrastructure Strategy and a 10 Year Rolling Infrastructure Plan released on 20 June 2017.

Developing policy to improve the Territory's economic performance

The Economic Development Framework (EDF) as mentioned above outlines the most important directions and actions needed to accelerate the Territory's economic development. The EDF will inform the Northern Territory's long-term decision making and deliver policy and regulatory certainty for investors.

Successful delivery of the actions and commitments in the EDF will require government, industry, land owners and other organisations to work together to propel the Territory's economy forward.

Leading the policy agenda for the development of Northern Australia through the Northern Australia Development Office

NADO advocated for establishment of the North Australia Ministers Forum to reinvigorate cross-jurisdictional efforts on Northern Australian development. The Forum was confirmed at the fifth meeting of the Northern Australia Strategic Partnership in June 2017 and will consider how to best engage key areas of defence, agriculture, infrastructure, regional development, Indigenous development, trade and investment so as to drive a coordinated focus on the North.

Further, NADO actively advocated for the Australian Government to incorporate the 'Developing the North' agenda in the new Foreign Policy White Paper currently in development.

NADO has made a submission to the Joint Standing Committee on Northern Australia's Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia. The Inquiry is investigating and reporting on the opportunities, methods, impediments and challenges to stimulating the tourism industry in Northern Australia.

Support the North Australia Infrastructure Facility

The Northern Australia Infrastructure Facility (NAIF) was established in 2016 to offer up to \$5 billion concessional finance to encourage and complement private sector investment in economic infrastructure that benefits northern Australia.

In 2016-17, NADO:

- supported the NAIF Board to visit the NT and hold an industry information session
- proactively engaged with the NAIF Board and staff to support the development of policies and processes
- supported project proponents to present information to NAIF about their projects.

Growing Indigenous businesses and continuing to improve Indigenous employment outcomes

Aboriginal Economic Development is a key priority area for government, with a range of targeted initiatives and partnerships aimed at realising economic participation for Aboriginal Territorians.

A wide variety of Aboriginal stakeholders, including land councils and community enterprises, were consulted through the Territory Economic Summits process, leading to specific Aboriginal Economic Development actions in the Economic Development Framework to be implemented in 2017-18.

Targeted support was provided to further Aboriginal participation in economic development through funding provided to Northern Land Council and Central Land Council to enhance economic development initiatives.

Industry Participation Plans provided by the department resulted in \$150 million worth of business for Aboriginal and Torres Strait Islander businesses.

Identifying economic opportunities for business growth and expanding the Territory's industry base

NADO is an important facilitator of Northern Australia development and provides national leadership on the Northern Australia development agenda. The unit works to support other government agencies to attract private sector investment to drive northern development through growth in key economic sectors.

The department supported studies to uncover the economic value of the crocodile farming industry in the NT which was established to have a value of \$106.7 million.

Delivering services and events to support businesses and industries

NADO supported industry, investors and the private sector interested in doing business in Northern Australia through providing executive facilities for high level strategic meetings. A number of key industry associations and Australian Government agencies including the Office of Northern Australia and Major Projects Approval Agency are co-located in the offices.

The department sponsored and presented at the Developing Northern Australia Conference held in Cairns in June 2017. The conference was attended by 400 delegates and provided a platform for business, industry, academics, non-government organisations, special interest groups, indigenous communities and all levels of government to participate in shaping Australia's future. The conference was facilitated by leaders in respective fields across 12 forum sessions with nine keynote speakers discussing the sharing of risk, managing opportunities and a new way of doing business in the North.

Future Priorities 2017-18

Delivering services and events to support businesses and industries

Partnering with industry and business is essential to the delivering services and outcomes of the Economic Development Framework. A partner forum will be held in Darwin and Alice Springs by December 2017 with a public summit to follow in Darwin and Alice Springs by the end of June 2018.

The 8th Indigenous Economic Development Forum will be held in October 2017 at the Darwin Convention Centre. People from a diverse range of industry and non-industry backgrounds will come together with a focus on key strategies, policies and initiatives to support Aboriginal economic development and employment.

The department will host the North Australian Ministerial forum on Developing the North which will consider how to best engage key areas of defence, agriculture, infrastructure, regional development, Indigenous development, trade and investment so as to drive the coordinated focus on the North.

The Northern Territory Population Summit will be held in August 2017. The Summit will be held in response to feedback received through public engagement forums on population growth. Summit attendees will discuss the challenges and opportunities of population growth in their own communities and the Territory as a whole.

Developing policy to improve the Territory's economic performance

In 2017-18 NADO will:

- work with industry to review the Building the NT Industry Participation Policy
- contribute to the review of the Australian Industry Participation National Framework
- participate in a working group to investigate options to improve the accessibility of Australian Standards for industry
- develop the Offshore Oil and Gas Supply and Service Strategy
- co-lead the development of the Gas and Minerals Industry Development Strategic Plan.

Regional Presence

Strategic Priorities

Leading the policy agenda for the development of Northern Australia through the Central Australia Development Office (CADO)

CADO has provided facilities for 138 development focused meetings, presentations and forums for 1327 participants.

The Office supported the Regional Economic Development Network providing whole of government leadership, co-ordination and facilitation to regionally based projects.

CADO played a pivotal role in the delivery of community and business engagement elements for a range of economic projects including Arafura Nolan's Bore and the Tellus Chandler mining projects.

Joint future planning for development between government and business

The Regional Economic Development Network collaborated with the Industry Capability Network (ICN) NT to ensure all existing and future opportunities for tenders and contracts were promoted through ICN NT.

The Network provided a single point of entry for regional businesses looking to access the wider range of departmental trade and investment programs. The Network also maintained close partnerships with the Small Business Champions and key links with Australian government, industry and NGO agencies responsible for business development and driving key trade and investment opportunities.

Regional Economic Development Network and Fund

The Regional Economic Development Network operates across the regional centres of Nhulunbuy, Katherine, Tennant Creek and Alice Springs.

The Network is an important engagement tool for government to pursue economic development opportunities with industry and local regional communities. It provides a single point of entry for industry and business in regional locations.

The Network is responsible for the effective operation of a Regional Economic Development Committee (REDC) in each region and provides whole-of-government leadership, co-ordination and facilitation to regionally based projects.

Each region has an Economic Development Officer, with Alice Springs having two positions, and Nhulunbuy and Tennant Creek being a shared resource with the Business and Innovation NT division.

The Regional Economic Development Fund is utilised by the Network to progress projects which will provide future economic development opportunities in the regions. Projects supported in 2016-17 included:

- the water management plan for Alice Springs Golf Club to guide future investment
- preparation of a business plan for the development of an Australian National Aviation Museum at the 7 Mile site in Alice Springs
- establishment of a co-working space in the Alice Springs CBD for Purpose Ventures
- assisting in the establishment of the Aboriginal Land and Sea Economic Development Agency program and Pilot Capital Fund
- facilitating support for the establishment of a space port in East Arnhem
- supporting infrastructure and operational requirements to Lirriwi Tourism, an Aboriginal-owned Accredited Tourism Business in North East Arnhem Land.

Identifying economic opportunities for business growth and expanding the Territory's industry base

Investing in the Horticulture Growth of Central Australia, an investment prospectus was developed in partnership with the Central Australian Horticulture Development Project team, and used to promote and support new opportunities and diversification of crops in Central Australia.

A business case was developed for the completion of a feasibility study into the Centralised Milling Facility in Tennant Creek to allow multiple small-scale gold mining operations to mill ore.

CADO provided support to the NT Chamber of Commerce to host the Central Australian Mining Seminar which brought together interested local mining support and services companies with project proponents in the Central Australian Region.

The department has worked with Voyages Indigenous Tourism Australia to deliver a masterplan for the township of Yulara which currently sits outside the NT Planning Scheme. Yulara is experiencing an unprecedented surge in visitor numbers which presents significant growth opportunities for a range of associated businesses and communities in the area.

The department supported the successful transition of the north east regional economy following the curtailment of the RioTinto refinery. This was reflected in strong housing demand and a stable, but cautious, business and services sector to build on for future growth.

Nhulunbuy's local construction industry was supported to capitalise on the significant NT Government regional capital infrastructure program which has resulted in an increase in indigenous jobs, local manufacturing in the construction industry in areas such as concrete and timber products and supply chain development.

Driving regional economic development and providing coordination across agencies and regional stakeholders

A number of projects were driven across the regions, with cross agency support and coordination provided for regional projects including the Central Australia National Aviation Museum project, revitalisation of the Alice Springs CBD and the Wayfinding Signage Project.

Growing Indigenous businesses and continuing to improve Indigenous employment outcomes

The Regional Economic Development Network played a key role in the implementation of the Indigenous Engagement Forum by Lendlease to encourage Indigenous participation in the defence contracts at Tindal and Delamere, in the Katherine region.

The Network provided assistance and advice to Jemena in the delivery of Aboriginal economic outcomes through the delivery of the Northern Gas Pipeline project.

Assistance was also provided to the Northern Land Council (NLC) and Central Land Council (CLC) who have developed a joint economic development framework. The framework includes, as a cornerstone, the establishment of the Aboriginal Land and Sea Economic Development Agency (ALSEDA) and an Aboriginal Investment/Capital Fund to finance the establishment of enterprises/businesses (with a focus on agribusiness) on Aboriginal land.

Facilitating major economic and resource development projects to grow the Territory's economy

The Regional Economic Development Network supported investors and project proponents including Metals X, Jemena, Fortune Agri, Arafura Resources and Verdant Minerals to progress their projects by assisting with facilitation and consultation.

The Network maintained an active role in the cross-government facilitation groups working with the major project proponents in each of the regions.

Future Priorities 2017-18

Building Indigenous capacity to engage in training and employment opportunities and continue to improve Indigenous employment outcomes

Implementation of a Regional Training and Employment Working Group as a sub-committee to the Big Rivers Regional Economic Development Committee to engage with the various Industry sectors involved with current and developing projects to improve Aboriginal employment outcomes.

Work with Regional Economic Development Committees (REDCs) to deliver economic priorities

The department will support the East Arnhem REDC to drive and progress identified priority projects through the NT Government Economic Development Framework and 10 year Infrastructure Plan.

These projects include:

- development of the regional ports
- improvements in reliability and affordability of supply chains
- attracting investment to the region through partnerships with private enterprise and stakeholders in key prospective growth sectors including tourism, fisheries, resources and community services.

The department will support the Alice Springs REDC in their identified priority projects:

- development of an over 50s lifestyle village
- increase international student numbers
- develop a business model for renewable energy options
- and supporting entrepreneurs and start ups.

Tennant Creek REDC priorities for 2017-18 will also be supported by the department and include:

- continuing to promote Tennant Creek for defence training opportunities
- attracting an investor to develop the abattoir south of Tennant Creek
- continuing to provide local content to investors and businesses, such as mining companies and agricultural investors, developing in the Barkly Region
- continuing to provide tourism initiatives and ideas for the region
- continuing to support the Weather Radar to ensure it is funded and implemented.

StudyNT

Previously with the Department of Education, StudyNT is focussed on promoting the NT as a study destination to prospective full-fee paying international students.

International education and training is a growth sector for the NT, contributing \$81 million to the NT economy in 2015-16* and supporting 444 jobs. It is the NT's 10th highest export earner.

*2016-17 data is not available until November 2017.

Strategic Priorities

Implementing the 10-year Northern Territory International Education and Training Strategy that strengthens existing, and grows new, international education and training partnerships between the Territory and Asia

The NT International Education and Training Strategy 2014-2024 aims to:

- support and grow international education and training partnerships between the NT and Asia
- create new education investment and infrastructure
- build on the skills of the NT workforce ensuring students and businesses have Asian cultural competencies
- welcome more international students to the NT.

StudyNT has completed the following work in 2016-17 to implement and support the Strategy:

- established an NT Alumni to present an authentic testimonial about living, studying and working in the NT
- introduced the Study in Australia's Northern Territory Scholarship Program
- coordinated the first three Study in Australia's NT agent familiarisation tours.

Delivering services and events to support businesses and industries

International Student of the Year Award – These awards were open to international students who have demonstrated leadership and excellence in their endeavours and contribution to NT's business community. As a part of the Chief Minister's NT Export and Industry Awards they celebrated the success of international students in the NT.

International Consultants for Education and Fairs (ICEF) fair - Using a collaborative government and industry approach, department representatives attended Australia's major trade show for international education and training in Cairns. Outcomes from the event included:

- the attraction of a homestay operator to investigate establishing a new business in the NT
- commitment to host an edutourism agent familiarisation tour with Study Cairns under Developing the North
- an invitation to bid to host ICEF in the NT in 2020.

2017 StudyNT Student Ambassador Program – The Program recruited over 20 international and domestic students who, after professional development, promote Northern Territory educational facilities and showcase all the Northern Territory has to offer as a study destination and place to call home. The Ambassadors hosted a stall at the Harmony Soiree at the Waterfront, generating significant social media interest in the NT.

The annual Welcome to International Students at Parliament House was hosted by the Chief Minister in February 2017 and included a presentation to inaugural recipients of the Study in Australia's Northern Territory Scholarships. StudyNT and NT education providers jointly fund 39 scholarships across nine priority countries, 17 of which were awarded in 2016-17.

The 2016 Council of International Students Australia (CISA) Conference was hosted by StudyNT in Darwin, with 200 delegates over four days, most of whom had never been to the Northern Territory previously.

StudyNT engagement – The unit continued to deliver its newsletter with four editions distributed to over 1000 stakeholders across the world. The newsletter has a 28% open rate which is higher than the industry average of 22%, and may be due to recipients having had face-to-face contact with StudyNT previously. The StudyNT website was reviewed and rebuilt by a local company to capture the ideas and build on the feedback provided by the Ambassadors.

Strengthening relationships with international partners

StudyNT facilitated the following overseas delegations to strengthen relations between NT VET providers and their international counterparts:

- Shandong Province, PRC with the Chief Minister's delegation
- Vietnam, February/March 2017
- India, Sri Lanka and Bangladesh, June/July 2017

Future Priorities 2017-18

Development of international education and training sector

In close partnership with the sector's Industry Group, a new NT International Education and Training Strategy will be released to accelerate growth within the education and training sector.

Provide grants, funding and programs to encourage International Students to choose the NT

StudyNT will continue to support and promote international students and education through a range of services including:

- \$100 000 pilot grant program to be developed as part of the Strategy to encourage international students to experience life as a Territorian
- continuing to partner with education providers to deliver up to 40 'Study in Australia's Northern Territory' scholarships in 2018
- supporting the development of a student hub in the Darwin CBD. The hub will be an open CBD shopfront drop-in centre for international and domestic students offering connections, advice and support services and will be modelled on similar centres interstate
- using former students as ambassadors for promoting studying and living in the Northern Territory through an alumni program in priority countries
- facilitating delivery of a homestay program for international students that will allow Territorians who open their home to international students to offer a warm welcome, share our culture and earn money.

Grow edutourism across the NT, using regional icons

Edutourism includes short term study tours for school students (usually 5-15 days) and longer term study abroad programs for students over the age of 18. StudyNT will partner with Study Cairns under Developing the North to offer an edutourism agent familiarisation visit, featuring Aboriginal culture and Uluru.

DefenceNT

DefenceNT was previously known as Strategic Defence and sat within the Department of the Chief Minister. During the establishment of the Department of Trade, Business and Innovation the division was renamed DefenceNT and sits within the Northern Australia Development and Trade group.

The division works to support defence, the defence community, veterans and businesses and industries that support defence.

DefenceNT helps to coordinate the NT Government's strategic engagement with defence and other governments to provide opportunities and increase industry engagement, business development and employment in the Northern Territory.

DefenceNT was led by Jason Schoolmeester, Executive Director as at 30 June 2017

Key Deliverables

DefenceNT	2015-16 Actual	2016-17 Budget	2016-17 Actual
Defence Support Group – advice provided within agreed timeframes ¹	--	85%	81.8%
Defence Support group – projects managed within agreed timeframes ¹	--	85%	96%

1. New measure. Figures for 2016-17 actuals are taken from 2016-17 estimates in 2017-18 budget.

Strategic Priorities

Promoting, connecting and developing the Territory's infrastructure and industries to support a growing defence presence

DefenceNT supported a growing defence presence through the following events:

- promoting the NT in Europe as the most effective and strategic location for Offshore Patrol Vessel sustainment
- the Avalon 2017 International Trade Show was used to showcase NT aviation industries to national and international decision-makers
- Land Forces International Trade Show to showcase NT defence industries to national and international decision-makers
- the fourth Northern Australia Defence Summit was hosted by DefenceNT, attracting presenters and delegates from local and interstate Defence, defence prime contractors and industry
- ADM Congress (Australia Defence Magazine), an annual national Defence and defence industry conference. The department was a gold sponsor and was represented at the conference by DefenceNT staff who attended and presented
- four workshops were hosted for local defence industry to maximise local industry participation, employment and productivity outcomes to support national policy and development priorities, such as those in the White Paper on Developing Northern Australia and in the Indigenous Advancement Strategy
- East Coast Road Show, in conjunction with the Defence Community Organisation and other NT Government agencies, to promote the benefits of the NT to Defence members and families
- Defence "Welcome to the Top End" expos were held in Darwin and Katherine
- 2017 Chief Minister's ANZAC Spirit Study Tour for three NT students and two chaperones to attend Villers-Bretonneux in France.

DefenceNT also:

- provided support to the Australian Industry and Defence Network NT branch through a combination of grant and partnership funding
- played a vital role in supporting the Force Posture Agreement between Australia and the United States with US Marine force rotations in Darwin.

Future Priorities 2017-18

Refresh the NT Government Strategic Defence Strategy

In partnership with industry and other stakeholders, develop a revitalised and well-researched Strategic Defence Strategy.

Develop and support the Northern Territory's capability to support the defence industry and community

DefenceNT will continue to develop and support the NT's capability to support the defence industry and community through:

- maximising the use of local businesses, including Aboriginal owned businesses, in infrastructure development and procurement; and services, repairs and maintenance activities
- promoting the NT as a more attractive place to live and work for defence families while personnel are posted in the Territory. This will include promoting the great NT lifestyle while dispelling outdated myths in relation to health and education in the NT
- building strong relationships with the Defence Community Organisation (DCO) and defence families and working together to increase employment opportunities for defence spouses
- providing secretariat support to the Northern Territory Veterans Affairs Ministerial Advisory Council.

Expand and explore opportunities to increase the defence industry presence in the NT

DefenceNT will aim to attract defence industry corporations to establish national or regional headquarters in Darwin by researching and promoting business case opportunities to appropriate defence prime contractors.

DefenceNT will build relationships between NT educational institutions and defence educators to explore opportunities for the Australian Defence Force Academy, the Defence Science and Research Group or other military organisations to establish a campus in the Northern Territory.

Prepare a Defence Engagement Strategy

The new Strategy will be developed and implemented to build and strengthen relationships with Defence, industry, land councils, Traditional Owners and the broader community, including opportunities to retain or develop Defence training areas across the NT.

Strategic Infrastructure and Projects

Strategic Infrastructure and Projects was previously known as the Office of Major Projects, Infrastructure and Investment and sat within the Department of the Chief Minister with responsibility for:

- coordination and delivery of major NT Government initiated infrastructure projects (indicative threshold of \$50 million)
- policy development and coordination, facilitation and delivery of private sector projects awarded Major Project Status
- development and implementation of strategic infrastructure assessment, prioritisation and investment policies, governance structures and processes.

The division leads the development and implementation of whole-of-government policies, strategies and projects that drive private investment, jobs creation, economic growth and diversity in the Territory economy.

As at 30 June 2017 the division was led by Anne Tan, General Manager.

Key Deliverables

	2015-16	2016-17	2016-17
Strategic Infrastructure and Projects	Actual	Budget	Actual
Advice provided within agreed timeframes	100%	85%	100%
Projects managed within agreed timeframes	100%	85%	100%
Number of projects with major project status ¹	--	18	18

1. New measure. Figures for 2016-17 actuals are taken from 2016-17 estimates in 2017-18 budget.

Strategic Priorities

Facilitating major economic and resource development projects to grow the Territory's economy

The division provided whole-of-government coordination to facilitate the timely delivery of private sector initiated Major Projects which will maximize private investment in the Northern Territory.

As of 30 June 2017 there were 18 private sector projects that had major project status, and 13 of these were managed by the department.

In June 2017 the division released the revised Major Project Status Policy Framework in accordance with a commitment made by government as part of the Territory Economic Summit process.

Lead government facilitated major projects that seek private sector investment significant benefits for the Territory's economy

In 2016-17 Strategic Infrastructure and Projects has:

- developed and led the scoping and competitive process which resulted in the Landbridge Group being appointed to develop a \$200 million luxury hotel at the Darwin Waterfront
- coordinated whole-of-government delivery of the Ichthys LNG Project
- continued to lead a cross-agency working group to provide whole-of-government major project facilitation and coordination services to support Jemena and the development of the Northern Gas Pipeline
- provided ongoing management of the Darwin Port lease and the strategic partnership between Landbridge and the NT Government
- supported the development of the common user facility at East Arm as outlined on page 46
- progressed the development of the Mount Isa to Tennant Creek Railway securing an agreement between the Australian, Queensland and NT Governments to jointly commission a strategic options paper, as outlined on page 46

Support the development of the common user facility at East Arm

The department developed and led the competitive process to develop the establishment of a ship lift and common user facility at the Marine Industry Park at East Arm.

The aim of the ship lift and common multi-user facility is to catalyse further development of a marine industry precinct at East Arm, and maximise economic growth and skilled employment opportunities in maritime and related sectors.

In July 2016, following a competitive tender process, Pearl Marine Engineering was selected to enter an exclusive negotiation phase with government for an agreement to deliver the ship lift and common multi-user facility at East Arm.

Support the creation of a railway spur line to Queensland

The Mount Isa to Tennant Creek Railway would be a strategic piece of transport infrastructure directly linking the Northern Territory to the Eastern Seaboard of Australia.

The Australian, Queensland and NT Governments jointly funded preliminary investigations into the railway through two work streams:

- A Strategic Options Paper (up to \$1M, NT contribution of \$250K) that will consider options to advance the railway.
- A Technical Assessment Program (up to \$1.2M, NT contribution of \$100K) to investigate and address engineering and environmental issues with developing the railway and establish a cost envelope for construction.

Following a competitive tender process, in September 2016, Advisian was selected as the successful consultant to prepare the Strategic Options Paper.

Findings of the Strategic Options Paper are being considered by the respective governments and will inform the next steps to progress the Mount Isa to Tennant Creek Railway.

Developing policy to improve the Territory's economic performance

The division delivered the Northern Territory Infrastructure Strategy that sets the Northern Territory's long-term infrastructure agenda and initiated development of the Northern Territory Project Delivery Framework and commits the NTG to the delivery of a number of reform actions.

Future Priorities 2017-18

Continue the whole-of-government facilitation and coordination of major projects

The division will continue to deliver major infrastructure projects, primarily economic infrastructure, where the NT Government is seeking to partner with a private proponent in the delivery of infrastructure.

The division plans to support and facilitate the following in 2017-18:

- progress the development of common user ship lift and associated infrastructure at East Arm
- progress delivery of a Darwin Luxury Hotel in the Darwin Waterfront precinct
- commencement of the market-led investment attraction process for a potential water theme park in the inner Darwin area
- attracting the establishment of corporate headquarters through the delivery of a Corporate Attraction Policy
- supporting the revitalisation of Darwin and Alice Springs CBDs
- facilitating private sector investment in a seniors lifestyle accommodation project in Darwin, Darwin rural and Alice Springs that will unlock development; create jobs; and support local business
- leading an open, transparent and competitive process to facilitate a new integrated tourism commercial development in Alice Springs.

Strategic Infrastructure and Projects will continue to provide support, contract management and the strategic partnership between the NT Government and:

- Landbridge and the Darwin Port Lease
- Jemena and the Northern Gas Pipeline
- Inpex and the Ichthys LNG Project.

Oversee the implementation and development of frameworks, strategies and policies

Strategic Infrastructure and Projects will:

- oversee the Major Project Status Policy Framework and continue to lead the whole-of-government facilitation and coordination of major projects
- deliver the NT Infrastructure and Investment Attraction Strategies
- deliver a new unsolicited proposal policy
- strengthen government and major project procurement activities to grow local industry capability and Aboriginal participation.

Strategic Services

The Strategic Services division administers strategic policy and corporate services for the department and was previously within the Department of Business prior to the creation of the new department.

The division consists of the following Output Groups:

- Corporate and Governance
- Strategic Policy.

Strategic Services includes the following units:

- People and Capability (human resources)
- Finance and Business Services
- Governance and Performance
- Strategic Engagement and Communication (marketing and communications)
- Information and Business Systems
- Strategic Policy and Research.

The division is led by Gail Humble, Executive Director as at 30 June 2017.

Key Deliverables

	2015-16 Actual	2016-17 Budget	2016-17 Actual
Corporate and Governance			
Client satisfaction with services	71%	80%	88%
Staff satisfaction with leadership and direction	81%	80%	81%

	2015-16 Actual	2016-17 Budget	2016-17 Actual
Strategic Policy			
Labour market and economic fact sheets issued ¹	46	40	55

1. The increase for 2016-17 actual is due to infographic fact sheets and the introductions of the quarterly Business Confidence report.

Strategic Priorities

Coordinate all economic research and information, investment opportunities and programs that can assist business through the new Department of Trade, Business and Innovation

The department developed the Northern Territory Business Confidence Survey to supplement the Sensis Business Index publication on business confidence.

Strategic Policy and Research reviewed economic publications and identified publications that have relevance to the NT and business community. The unit will incorporate this into a review of online resources to provide further information and support to current and new businesses and create greater visibility around economic research publications and investment opportunities.

The department delivered a business engagement strategy to promote business confidence, employment, trade and investment in the NT.

Deliver a skilled occupational priority list to attract skilled labour to the Northern Territory

The 2017 NT Skilled Occupation Priority List was published in March 2017 and is reviewed and updated annually. The list identifies occupations in shortage or experiencing recruitment difficulty, in consultation with business, industry associations, unions and government.

Develop the People Strategy

The People and Capability unit finalised the content of the People Strategy which will enable the department to invest in and develop its people.

Further information on the People Strategy is available on page 52.

Review and update Business Productivity Growth programs

The department conducted an internal review of the business programs, and recommendations from the review will be implemented in 2017-18.

Strengthen our performance development and management system

A revision of the functions of the Governance unit resulted in the new Governance and Performance unit being created. The new unit manages internal policy, governance frameworks, risk management, audits, business planning and the annual reporting process. By consolidating business planning and annual reporting functions into the one unit, the department now has a streamlined and coordinated approach to strategic performance reporting.

Strengthen the learning, development and leadership culture

The People and Capability unit has developed the Strengthening Management and Leadership Capability initiative as part of the People Strategy. The initiative will enhance management and leadership capability within the department, together with people and operational business management. Further detail is available on page 59.

Strengthen our performance and accountability culture

The People and Capability unit introduced an online induction portal to support new staff to be aware of their obligations and accountability within the department and the NT Government.

The department's organisational structure was realigned to support the focus on economic development and coordination. The new structure is underpinned by a new governance framework which includes the Board of Management and Executive Management Group. More information on the department's Corporate Governance Framework is available on page 12.

People and Capability's management and leadership programs outlined above will also address performance and accountability culture within the department.

Implement a client-centred service framework

Across the department business units and divisions are adopting a focus on client centred service. This focus is seen through the rejuvenation of office spaces and service processes implemented to improve the customer experience.

Strategic Services continues to build on the library of online staff resources through additions to the department's intranet toolkit. The toolkit enables staff to 'self-serve' corporate services through access to policies, procedures and fact sheets in a central repository. Online resources are supported by customer focussed corporate services staff who provide face to face inductions, information and ad hoc advice to staff in all divisions.

Implement an agency wide customer relationship management system

The Customer Relationship Management system (the CRM) officially launched in August 2016. Department staff used the CRM to track business engagement, provide assistance to start-up businesses, identify investment opportunities and develop marketing campaigns.

Implement a communications and media plan

The department implemented a communications and media plan for the department's key initiatives and generated over 150 good news stories featuring NT Businesses and workers and responded to over 70 media enquiries.

Deliver a marketing and stakeholder engagement program

Strategic Engagement and Communication coordinated a number of high profile communication campaigns including:

- the Territory Economic Summits and the Economic Development Framework
- consultations on bringing back the Arafura Games
- the First Home Buyer incentives campaign
- a campaign to promote the Immediate Work Grants
- the reintroduction of the Home Improvement Scheme
- participation in national and international exhibitions including Australian Oil and Gas, Offshore South East Asia, Australian Petroleum Production and Exploration Association and Avalon
- international investment and engagement delegations to promote the NT as destination to live, work and invest.

Key department led events were promoted including October Business Month, the NT Training Awards, the Skills, Employment and Careers Expo. The department also supported local events such as NT Resources Week and the Darwin and Tindal Defence welcome receptions.

The department maintained a strong digital presence with 865 698 visits to agency websites and the introduction of new digital marketing strategies which increased the department's social media audience from 1 600 to 3 900.

Future Priorities 2017-18

Implement our People Strategy

The People Strategy 2017-21 will play an important role in shaping and supporting workplace culture. The implementation of capability programs will commence in the first quarter of 2017-18.

Embed the Customer Relationship Management system as a key knowledge management tool

The department has formed a Strategic Working Group, with representation from each division, to identify opportunities and oversee the development and implementation of a continuous improvement program. The Group is tasked with developing a CRM Roadmap and Training Strategy to promote the purpose and functionality of the system.

Continue community employment profiles

Community employment profiles provide information about businesses, jobs, skills and training for each community and inform the planning for future program delivery. In June 2017, the department commenced NT Remote Jobs Profile surveys in 28 communities across the NT using the Small Business Champions and Workforce Training Coordinators. The profiles will be published at the beginning of 2018.

Implement an evaluation framework

Strategic Policy and Research has drafted an evaluation framework for internal consultation and implementation in 2017-18. The framework will enable the department to more effectively evaluate the impact of programs and services provided to clients and businesses.

Deliver an ICT strategic plan

The ICT strategic plan has been drafted and will be delivered in 2017-18. The plan will align with Strategic Directions 2017-2021 and whole of government initiatives to support innovative and effective technology solutions.

Develop our Workforce Development Plan

The Workforce Development Plan is an initiative of the People Strategy. This will be inclusive of workforce planning, workforce profile, workforce contingency and workforce capability. The Plan will include a commitment to delivering online learning programs.

Strengthen our performance development and management system

As an initiative of the People Strategy, the people performance framework, previously known as MyPlan, is being redesigned to enhance quality performance conversations. The new framework will include goal setting for teams and individuals that contribute to the Strategic Directions and promote regular feedback.

Deliver a digital first marketing strategy

Deliver an integrated marketing strategy including the effective use of online and social media platforms.

Our People

Our People and Capability team works in partnership with employees to enhance organisational capability and build a high performance workforce and practices that enable the department to achieve its business objectives.

The team provides strategic and operational human resource advice on workforce planning, recruitment and selection, early careers programs and people management, and supports workforce capability through a range of workforce development initiatives.

People Strategy 2017 – 2021

A capable workforce is required to deliver on the strategic directions and priorities set by government. To meet the challenges in this dynamic and changing environment, planning for the department's current and future workforce needs is an important task that requires commitment and support from all staff within the department.

The department continues to improve the way it manages and develops staff to achieve its objectives. During 2016-17, the department developed a People Strategy 2017-2021 to support the delivery of strategic priorities and further embed values and behaviours. With five inter-related actionable strategic aims, the People Strategy plays a critical role in safeguarding workplace culture and ensuring a progressive, sustainable and healthy working environment for staff.

Key priorities outlined in the strategy include strong leadership and management, a high performing and inclusive workplace culture, a capable and responsive workforce, a flexible and healthy workforce and engagement with People and Capability. Leaders across the department play a key role in its delivery.

People Matters Survey

The People Matters Survey continues to be an important assessment of staff views for the department. Conducted by the Office of the Commissioner for Public Employment (OCPE), the 2016 NT Public Sector People Matter Survey revealed positive improvements in most areas compared to the 2014 survey results. The department had a response rate of 52.6% and the results assist in informing the development of programs and services within the department to better support staff.

Department employee statistics 2016-17 compared to 2015-16

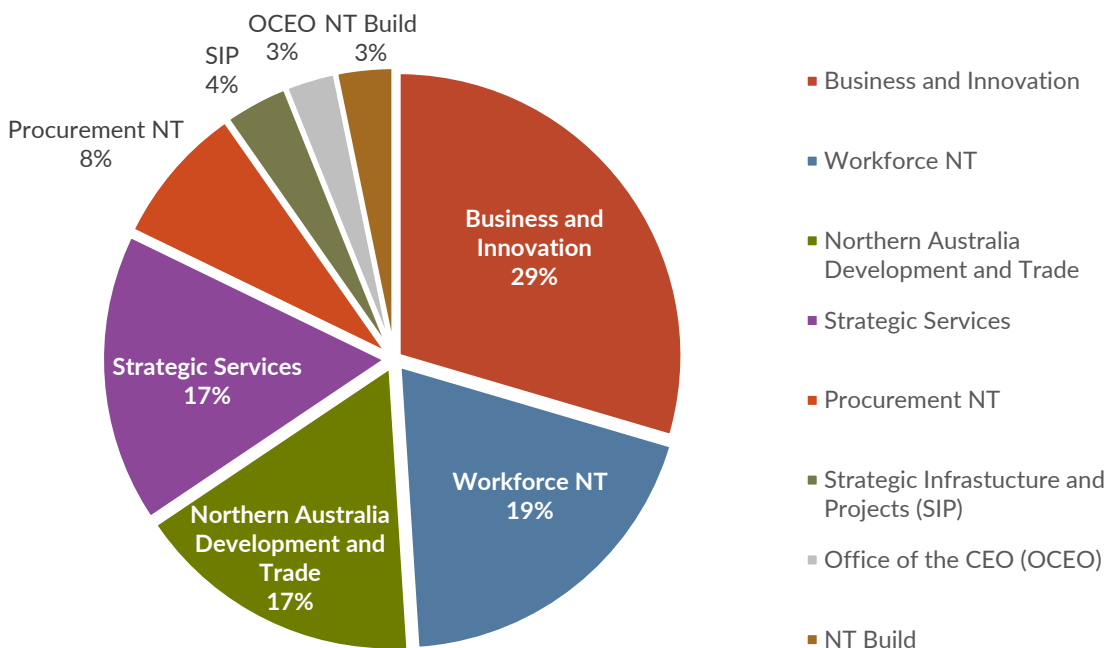
The below data is as at 30 June in each respective year. As a result of the machinery of government changes a reduction in full-time-equivalent employees distorts comparable data where percentages have not been used.

	2016-17	2015-16
1. Workforce Profile		
Full time equivalent (FTE)*	235.6	357.8
Permanent employees (adjusted paid employees)	191	291
Employee turnover	18%	17%
Employees on executive contracts	10.1%	7.9%
Part time employees	14	13
Average age of employee	43	45.7
2. Diversity and Inclusion		
Female employees	66%	63.8%
Male employees	34%	36.2%
Employees aged between 30-50	49.8%	52.0%
Identified as being Aboriginal or Torres Strait Islander	26 (11%)	27 (7.4%)
Employees from non-English speaking background	6 (2.5%)	7 (1.9%)
Employees identified as having a disability	7 (2.9%)	7 (1.9%)
3. Employee Relations		
New industrial relation claims	0	0
Workers compensation claims	2	4
Formal disciplines invoked	1	2
Redundancies	4	2
4. Developing our Workforce Capability		
Actual spend on training	\$258 626	\$354 698
5. Health and Wellbeing		
Sick leave days used per person (average)	14.41	11.1
Recreation leave used per person (average)	31.6	26.7
Long Service days used per person (average)	7.2	3.9
Leave without pay used per person (average)	7.4	20.8

*The department had 247 Paid employees (14 part time and 233 full time), which equals a full-time equivalent (FTE) of 235.6.

1. Workforce Profile

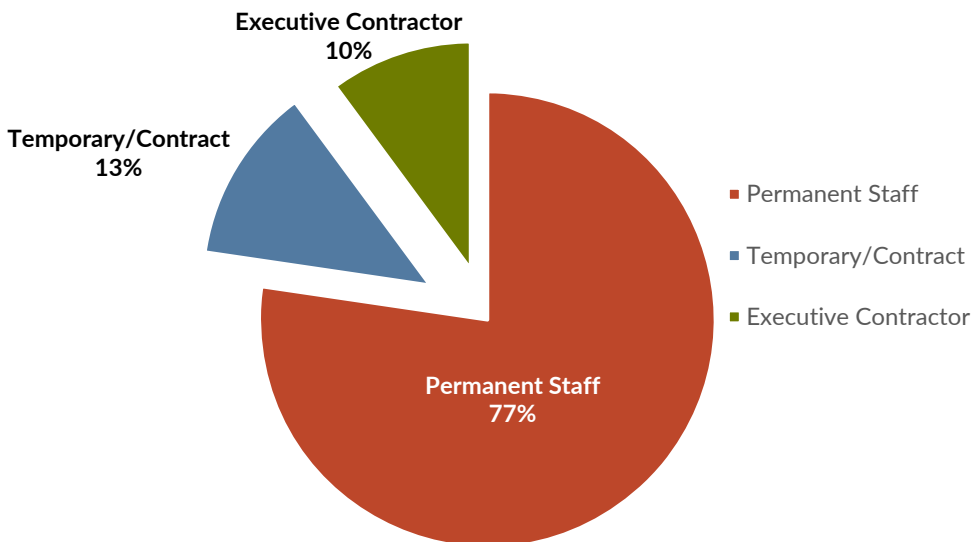
Employees by division (adjusted paid employees)



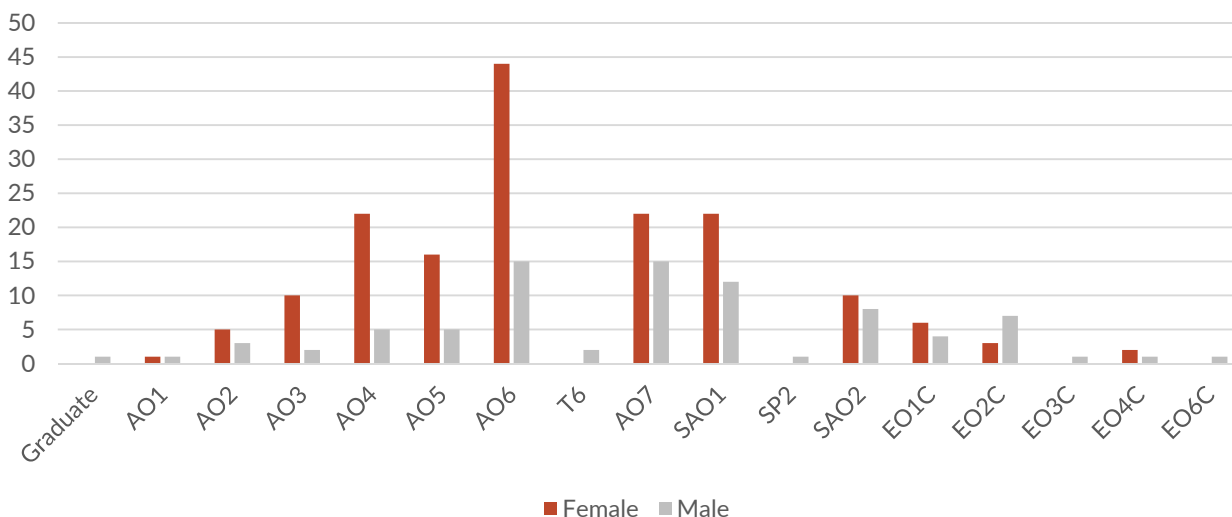
Employee turnover

Employee turnover for the year was 18%, excluding transfer to and from elsewhere in the Northern Territory Public Sector. This is an increase of 1% as compared to 2015-16.

Employee type (adjusted paid employees)



Employees by classification and gender (adjusted paid employees)



2. Diversity and Inclusion

The department celebrates its diverse workforce. It believes the diversity of our employees is an asset and an integral part of our workplace culture. By creating an inclusive workforce, where people are valued for their varied experiences, background, knowledge, skills and we are able to provide quality, considered and culturally responsive services to clients.

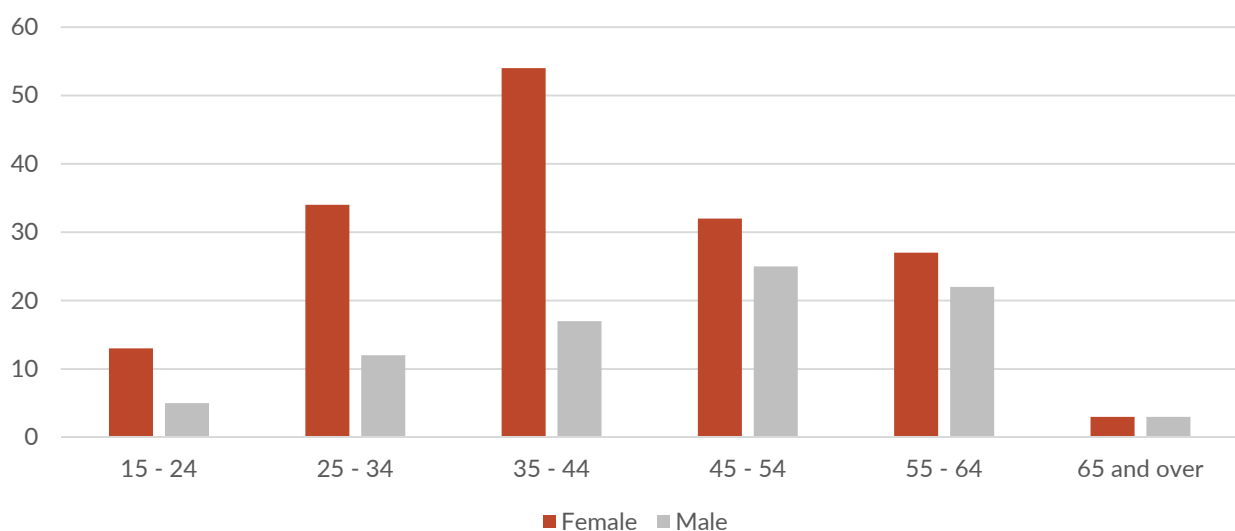
This means creating a culture that promotes the skills and insights of people irrespective of gender, ethnicity, generation, sexual orientation or disability.

In 2016-17, Chief Executive Officer, Michael Tennant, became a champion for the NTPS Inclusion and Diversity initiative, raising awareness across the NTPS. To support this:

- information on the intranet is available to staff and managers
- the department is developing a Diversity, Inclusion and Cultural Competence information session that is aligned to the client base and the diversity of the department's employees for implementation in 2017-18.

The ratio of male to female employees within the department is 84:163 paid employees.

Employees by age and gender (adjusted paid employees)



Special Measures

The NTPS Aboriginal Special Measures Plan was mandated within the department in 2015-16, and has remained in force throughout 2016-17. The Plan provides all applicants who identify as being of Aboriginal or Torres Strait Islander descent with priority consideration in recruitment processes. Aboriginal employee numbers within the department have increased from 7.4% to 11% paid employees.

The number of employees identifying as being from a non-English speaking background increased from four to six paid employees.

The number of employees identifying as having a disability increased from five (post machinery of government) to seven paid employees at 30 June 2017.

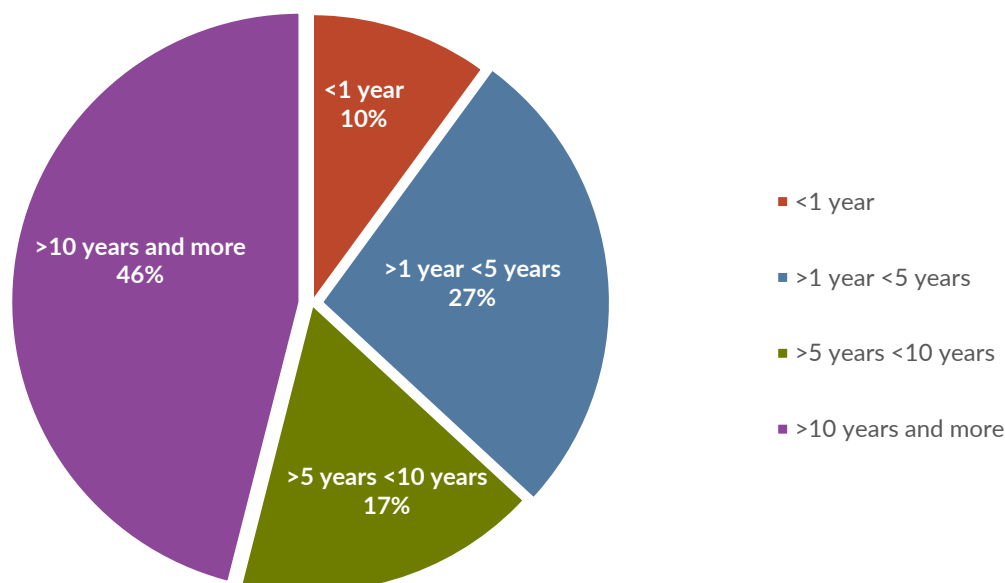
Celebrating Years of Service

On 27 October 2016, a ministerial function was held to recognise people from across the NTPS for 30, 35, 40 and 50 years of service.

To support this initiative, the department also recognised 10 and 20 year milestones. A total of eight employees were recognised in 2016-17 for their extensive contribution to the public service.

- 10 Years – four employees
- 20 Years – two employees
- 30 Years – one employee
- 40 Years – one employee.

Years of service by employees (headcount)



3. Employee Relations

Industrial relations

The department is committed to working in partnership with employees and unions as the need arises.

Employees were supported through the change management process during the implementation of machinery of government changes and further divisional restructuring to align functions with government priorities; resulting in a successful transition.

No industrial relations claims were lodged against the department during 2016-17.

Workplace Incidents

A total of seven incidents were registered during the 2016-17 period, twenty less than in 2015-16 reporting period.

Workers Compensation

Two workers compensation claims were lodged during 2016-17. One of those was transferred out with the machinery of government changes as the employee transferred to another department. This is a decrease of two compared to 2015-16. A range of policies, procedures and reporting mechanisms have been embedded to promote a proactive approach to early intervention, risk and injury management in the workplace.

Information on the workers compensation process is available on the intranet and included in the employee induction program. As an early intervention approach, employees are supported with services to assist with resolution of injuries in the workplace when determining the requirement to lodge a workers compensation claim.

Redundancies

Four ongoing employees received voluntary redundancies in 2016-17.

Outside Employment

The department supported outside employment in accordance with section 19 of the Code of Conduct (Employment Instruction Number 12). In 2016-17:

- 27 outside employment applications were received and approved
- 23 staff applied for outside employment (some with multiple applications)
- two conflict of interest management plans were put in place.

4. Developing our Workforce Capability

The department's staff are critical to achieving the strategic priorities set for the agency. A Workforce Plan is being developed and will include a number of initiatives to build and strengthen workforce capability.

People and Capability facilitated, supported and advised on strategic, corporate and operational professional development, to foster a culture of continuous learning. Feedback on professional development activities undertaken was encouraged and sought by People and Capability. For corporate professional development activities attendees were surveyed to obtain feedback.

The department promotes opportunities for staff to gain professional development through a Study Assistance policy, Membership of Professional Organisation policy and a department jobs board that encourages staff development in different positions within the agency.

Corporate Professional Development Opportunities

At a corporate level, the department supported the following programs:

- **Corporate Induction and Orientation**

The department induction and orientation program is designed to support new employees settle into their roles by providing information about the department, its strategic priorities, culture and key policies and procedures. It also provides an awareness of corporate functions, performance agreement processes, entitlements and conditions of service, appropriate workplace behaviour and the NT Public Service (NTPS) Code of Conduct. Employees are provided with information on their accountability and responsibilities under the *Public Sector Employment and Management Act* and the *Work Health and Safety (National Uniform Legislation) Act*. In 2016, this program became available online through the Intranet.

People and Capability and the Governance and Performance unit conducted joint face-to-face orientation sessions to staff transitioning to the department as part of the machinery of government changes.

- **Resilience, Change Management and Fixed vs Growth Mindset**

In October 2016, the department organised a lunch box series of 3 sessions on Resilience, Change Management and Growth Mindset. A total of 48 staff attended the sessions.

- **Punctuation Unpacked**

In March 2017, a Punctuation Unpacked workshop was offered to employees with 23 employees participating. This workshop provided foundational skills to participants in critical writing areas.

- **How to write in plain English**

This workshop covered basic techniques to develop clear writing. Participants learnt how to say more, using fewer words, with practical exercises to reinforce their learning. In March 2017, one workshop was offered to employees with 24 department employees participating.

- **Writing Quality Job Analysis Questionnaire (JAQ)**

This interactive program is designed to provide employees with the basic skills required to prepare a quality JAQ, gain a greater understanding of the JAQ process, how it's applied in the NTPS and how it links with the Job Evaluation System. To gain maximum exposure and skill set spread, the department offered this to a number of other NTPS departments. As a result, 12 employees participated in the workshop with seven of those from DTBI.

- **Job Evaluation System (JES) Introductory Workshop**

This is an interactive three day workshop designed for new Job Evaluation System Evaluators. To gain maximum exposure and skill set spread, the department offered this to a number of other NTPS departments. As a result, 11 employees participated in the workshop with five of those from DTBI.

Other professional development and capability building programs employees completed in 2016-17:

- Small Business Champions (SBC) professional development week
- 3rd National Indigenous Economic Development Forum
- 4WD Driver Training Operations Course
- Australian Human Resource Institute (AHRI) NT Conference
- Australian Institute of Company Directors (AICD) Summit
- Fire Warden Training
- First Aid Training
- Intermediate Business (Chinese)
- Katherine Regional Mining and Exploration Forum
- Managing Poor Performance
- Microsoft Dynamics, Excel and Projects
- PRINCE2 Foundation and Practitioner Course
- Professional Skills for Executive Assistants
- The Emotionally Intelligent Communicator
- User Acceptance Testing (UAT) Training
- Using Economic Methods Evaluatively.

Strengthening Management and Leadership Capability

The Strengthening Management and Leadership Capability was developed as an initiative of the People Strategy. It encompasses three key programs that will be delivered over an eighteen month period beginning in August 2017:

- Building our Managers workshop series (available to all staff, particular target group are staff in supervisory roles)
- Emerging Leaders program (Administrative Officer 7 – Senior Administrative Officer 1 or equivalent)
- Strategic Leadership program (Senior Administrative Officer 2 or equivalent and above)

My Development

The department continues to support the implementation of the My Development initiative that enables employees in the Administrative Officer levels 1 – 6 to develop skills for future career opportunities. To further strengthen this initiative, People and Capability commenced the development of a Foundations Capability Framework.

Performance Management

The *Public Sector Employment and Management Act* and Employment Instruction Number 4 sets out the requirement to manage employee performance and development and accountability for all NTPS employees. In 2016-17 People and Capability commenced the development of a new performance development system that will supersede the MyPlan process and will be implemented during the 2017-18 employee performance and development cycle.

Divisional business plans provide a clear line of sight to the Strategic Directions and enable individuals to set goals and targets aligned to the division's objectives. Regular discussions and continuous development assists in monitoring progress of employees in achieving their goals and supports a performance culture.

Learning Management System

The department partnered with the Department of Health to host eLearning modules through their MyLearning site. Over the coming months eLearning modules will be developed and made available to employees on a range of topics.

Employment Programs

The department continued to encourage and support employees to undertake capability building programs offered through the Office of the Commissioner for Public Employment (OCPE).

In 2016-17 employees participated in the following OCPE employment programs:

Training Program	Number of Employees
Future Leaders Program	1
2017 Kigaruk and Lookrukin program	1
Capability Leadership Framework Youth Week (April 2017)	1
Challenging Unconscious Bias	2
Disability Confidence Training	5
Leadership for Change Agents	1
Machinery of Government	8
Merit Selection Training	37
NTPS Aboriginal and Torres Strait Islander Employee Forum	1
Performance Management	2
Practical Public Policy Design in the NTPS	3
ANZSOG Leadership for Change Agents	1
ANZSOG Policy Skills Masterclass	2

Early careers programs

During 2016-17, the department engaged two graduate trainees under the Graduate Development Program, one trainee under the Aboriginal Employment Program, four trainees under the NTPS Traineeship Program, two vacation employment students, three work experience students, and five students as part of their internship.

Study Assistance

Nine employees accessed study assistance during 2016-17 to undertake study ranging from Certificates to Masters level programs. The department supports employees gaining relevant professional and technical skills through higher education studies. This financial assistance equates to a total of \$25 242 with an average of \$2805 per participating employee.

Areas of study supported during 2016-17 included:

- Certificate IV in Marketing and Communications
- Diploma of Events
- Diploma in Languages
- Graduate Certificate in Migration Law
- Bachelor of Law
- Bachelor of Tourism and Events Management
- Masters of Business (MBA) Social Impact
- Masters of Emergency and Disaster Management.

5. Health and Wellbeing

The department is committed to ensuring a safe and healthy work environment for all staff, contractor and visitors consistent with the *Work Health and Safety (National Uniform Legislation) Act* and the *Workers Rehabilitation and Compensation Act*. Since the establishment of the Work Health and Safety Management Committee, considerable work has been undertaken to ensure compliance.

Activities undertaken include:

- continued the Workplace Committees including First Aid Officers and Fire Wardens in each building location
- promoted safety requirements and emergency evacuation information
- commenced development of a WHS Wellbeing Initiative that will promote and support health in the workplace through a range of programs
- developed a Remote and Road Travel Policy.

The department actively supports any injured and ill employees in their return to work and provides appropriate reasonable adjustment to working environments to achieve this, including flexible working arrangements. The commitment to provide early intervention strategies to assist injured and ill employees is supported by workplace rehabilitation assistance and/or medical examinations to determine fitness for duty.

Change Management

The management of change in the public sector typically involves changes to processes, technology, roles, organisational structures and culture. During the machinery of government process, the People and Capability unit provided management and support to divisions in accordance with legislative requirements, industrial obligations and considerations under the NTPS 2013-2017 Enterprise Agreement.

Flu Vaccinations

The department actively promoted the option for employees to receive a free flu vaccination annually. In 2016-17, 87 employees chose to participate in the flu vaccination program.

Flexible Working Arrangements

The department continued to recognise the importance of providing employees with the flexibility they need to balance their work with their personal commitments and interests. Supporting a number of family friendly and flexible working arrangements that meet the operational needs of the department and its employees, impacts positively on an employee's health and wellbeing, commitment, productivity and engagement. As at 30 June 2017, there were 14 part time employees which is an increase of one from the previous year.

Employee Assistance

The Employee Assistance Program (EAP) allows employees and their family to access free, confidential counselling. These services are available for any circumstance for which an employee may need assistance and advice.

Employees can choose counselling sessions from the NT Government panel of providers, and can access up to three visits for any particular matter. The EAP also provides support to managers and employees on specific workplace issues.

In 2016-17, 42 employees or family members accessed this program with over 82 sessions attended. This is a decrease from 2015-16 where 91 employees or family members accessed 104 sessions.

Reporting against Employment Instructions

As required under the *NT Public Sector Employment and Management Act*, the department's performance against each Employment Instruction is reported below.

Employment instruction	Agency actions
Filling vacancies Agency must develop a procedure for filling vacancies consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement.	The agency maintained streamlined recruitment processes and continued to mandate the Special Measures Plan, providing for priority consideration of Aboriginal and Torres Strait Islander applicants. Merit selection training numbers: <ul style="list-style-type: none">• 18 employees attended face-to-face training• 19 employees completed the online eLearning module Agency recruitment actions: <ul style="list-style-type: none">• 72 vacancies advertised (32 Ongoing and 40 Fixed Period)• 36 new commencements to the NT Government• 36 transfer in from other public employers• 40 separations (resignations)• 36 transfers out (to other public employers)
Probation Agency must develop a probation procedure consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement.	Probation guidelines and procedures are available on the intranet and managed through People and Capability. Agency probation statistics: <ul style="list-style-type: none">• 15 Probation Confirmations (at 6 months)• 0 Probation Extensions with Development Plans• 0 Probation Terminations

Employment instruction	Agency actions
<p>Natural justice</p> <p>The principles of natural justice are observed in all dealings with employees and are reflected in relevant policies and procedures.</p>	<p>Information on the application of natural justice is provided through induction, information sessions and through specific case management. Natural justice is applied to all appropriate processes.</p>
<p>Employee performance and development systems</p> <p>Agency must develop and implement a performance development system consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement. Agency to report annually to OCPE on management, training and employee development programs.</p>	<p>Department employee MyPlans are completed and submitted to People and Capability annually. The MyPlan is based on individual performance and development and establishes a link between individual performance, position responsibilities, department values and strategic objectives. The process allows for future planning activities and training to meet the needs of the individual and the work unit.</p> <p>In 2016-17 People and Capability commenced the development of a new performance development system that will supersede the MyPlan process with the Performance and Capability Plan. This will be implemented during the 2017-18 employee performance and development cycle.</p>
<p>Medical examinations</p> <p>Agency may engage a health practitioner in accordance with the Act and Employment Instruction Number 3.</p>	<p>Medical examinations may be arranged for a number of reasons under the Act or relevant enterprise agreement. These referrals are managed by People and Capability in relation to case management matters and are highly confidential.</p> <p>The agency has internal operating procedures for medical referrals and all referrals are provided in writing to the employee.</p> <p>There were no referrals for an independent medical examination in 2016-17.</p>
<p>Performance and inability</p> <p>Agency to provide OCPE with information relating to performance and inability.</p>	<p>The agency supports employees through the performance framework, which includes regular performance feedback and development. Information on the performance framework is available on the intranet.</p> <p>Formal performance and inability is managed through the People and Capability Unit in relation to case management matters and are highly confidential.</p> <p>One formal performance and inability process under Part 7 of the <i>Public Sector Employment and Management Act</i>, was instigated during 2016-17.</p>

Employment instruction	Agency actions
<p>Discipline</p> <p>Agency may develop discipline policy consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement, and to provide OCPE with information relating to disciplinary processes.</p>	<p>Agency information on managing employee performance is available on the staff intranet. Supporting information in relation to staff conduct, delivery of services and use of government resources is delivered through the induction program.</p> <p>Disciplinary matters are resolved through appropriate management actions with the support of the People and Capability Unit and in accordance with department procedures and OCPE instructions.</p> <p>One formal discipline process was undertaken during 2016-17.</p>
<p>Internal agency complaints and section 59 grievance reviews</p> <p>Agency will develop an internal employee grievance handling policy and procedure consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement.</p>	<p>The agency has recently reviewed and updated the Resolution of Grievances Policy and related procedures available to staff and managers.</p> <p>Formal complaint processes under the Act are managed by People and Capability in relation to case management matters and are highly confidential.</p> <p>There were no formal complaints lodged during 2016-17.</p>
<p>Employment records</p> <p>Agency must comply with the requirements of the <i>Information Act</i> (NT) regarding collection, handling and storage of personal information contained in an employee's employment record.</p>	<p>In conjunction with the Information Management Unit, the People and Capability unit has an approved file plan and ensure that any information detailed under Employment Instruction number 9 is placed on an employee's personnel file.</p>
<p>Equality of employment opportunity programs</p> <p>Agency must develop an Equality of Employment Opportunity Program consistent with the Act, its subordinate legislation, the <i>Anti-Discrimination Act</i> and any relevant award or enterprise agreement. Agency to report annually to OCPE on programs and initiatives.</p>	<p>The agency has developed a People Strategy which includes an Aboriginal Employment and Career Development Plan. The NTPS Special Measures plan remains mandatory across the department to provide priority consideration to Aboriginal and Torres Strait Islander applicants.</p> <p>The agency actively supported workshops which focus on equality of employment through promotion of the OCPE Disability Confidence and Challenging Unconscious Bias programs.</p>

Employment instruction	Agency actions
<p>Occupational health and safety standard programs</p> <p>Agency must ensure the application of appropriate occupational health and safety (OHS) standards and programs.</p>	<p>The department has a Work Health and Safety (WHS) Policy and Framework that is monitored through a WHS Management Committee with representatives from a range of workplace locations. Workplace Committees are established to assist the department meet its safety obligations towards staff and promote WHS awareness in the workplace. Information is available on the intranet.</p> <p>In 2016-17, there were seven incidents registered, compared with 27 in 2015-16.</p>
<p>Code of conduct</p> <p>The Code of Conduct stipulates the basic level of conduct expected of public sector officers as defined in the Act.</p>	<p>The department provides information on code of conduct through induction/orientation processes, the intranet and a range of information sessions and case management matters. Code of conduct is also promoted through sound management practices.</p> <p>Breaches of the code of conduct are addressed immediately and appropriately.</p>
<p>Appropriate workplace behaviour</p> <p>Agency must develop and implement a 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>Information concerning appropriate workplace behaviours is delivered through the staff induction process. Behaviours are reinforced through modelling responsible leadership behaviours aligned to values.</p> <p>Inappropriate workplace behaviours are addressed immediately in collaboration with People and Capability, management and the employee/s.</p>
<p>Redeployment and redundancy procedures</p> <p>Agency must ensure redeployment processes are consistent with the Act, its subordinate legislation and any relevant award or enterprise agreement, and that redeployees are provided with an appropriate level of assistance and case management.</p>	<p>The agency actively manages redeployee and unattached employees to find new ongoing positions. Where required, additional support is provided through development activities. Similarly, where the agency employs a former redeployee, performance development is provided in the new role.</p> <p>In 2016-17 the agency had 13 redeployees, successfully placed one and is providing meaningful temporary placements to eight, with one on long term leave. There were four voluntary redundancies in line with legislative compliance due to departmental restructures.</p> <p>There are currently five long term unattached officers.</p>

Employment instruction	Agency actions
<p>Special measures</p> <p>Agency must ensure the application of appropriate Special Measures Plans consistent with the Act, its subordinate legislation, the <i>Anti-Discrimination Act</i> and any relevant award or enterprise agreement.</p>	<p>The agency has two special measures plans in place.</p> <p>Disability Employment</p> <p>Of the seven employees that identify as having a disability, two are employed under the NTPS EmployAbility program and are supported in the workplace through individual disability support plans.</p> <p>Aboriginal and Torres Strait Islander people (“Aboriginal people”) Special Measures Plan</p> <p>The agency has consistently exceeded targets, as set out in the document, ‘Enhancing Indigenous Participation’ (September 2014). The department’s annual Aboriginal employment target for 2016-17 was 11%.</p> <p>As at 30 June 2016, the department had 26 employees (11%) identifying as Aboriginal employees.</p> <p>Special Measures Statistics:</p> <ul style="list-style-type: none"> • 72 vacancies advertised under special measures • 115 special measures applications received • 10 found successful • 78 found unsuitable • 4 still pending recruitment • 0 vacancies advertised with an approved exemption for special measures from the Commissioner for Public Employment. <p>Of the 1 453 applications received in 2016-17, 7.9% were from special measures applicants.</p>

Appendix A

Statutory responsibilities / legislation administered

The Department of Trade, Business and Innovation is responsible for the following principal areas of government and for administering the legislation detailed below.

Areas of government

- Aboriginal business enterprise support
- Aboriginal workforce participation
- Apprenticeships and traineeships
- Asian engagement
- Assistance to Desert People's Centre
- Business and industry development
- Defence Industry support / strategic defence
- Desert Knowledge Australia
- Developing industry and attracting investment
- Financial assistance to industry associations and business
- Industry, economic and labour market analysis
- Industry participation
- International education
- International investment promotion
- Major Project facilitation
- Northern Australia development
- NT Build
- Procurement policy
- Procurement Review Board
- Quality of training
- Regional coordination
- Research and innovation
- Territory Business Centres
- Trade development, strategy and policy
- Training and employment programs and assistance schemes
- Vocational education and training administration
- Workforce attraction (international and interstate) / business and skilled migration

Legislation

- *Construction Industry Long Service Leave and Benefits Act*
- *Desert Knowledge Australia Act*
- *Ichthys LNG Project Act*
- *Northern Territory Products Symbol Act*
- *Port of Darwin Act*
- *Procurement Act*
- *Training and Skills Development Act*

Appendix B

Department of Trade, Business and Innovation statutory authorities and boards

Arafura Games (Interim) Steering Committee – Bring Back the Arafura Games

Non-statutory, established by the Minister in November 2016 and finished in March 2017

The scope of the Arafura Games (Interim) Steering Committee is to determine the philosophy and guiding principles, in the form of a Strategic Framework that will facilitate the re-establishment of the Arafura Games. The organisation and program management of the Games will be the responsibility of a Cabinet approved organising committee.

Business Advisory Council

Non-statutory, established by the Minister in July 2013 and finished in May 2017

The Business Advisory Council (BAC) was established as a source of advice to the Minister on business issues and emerging trends. Commencement of the regular Business Round Tables provided an alternative advice mechanism and the BAC was disbanded in May 2016.

Desert Knowledge Australia

Desert Knowledge Australia Act 2003

Desert Knowledge Australia is established pursuant to section 5 of the Desert Knowledge Australia Act 2003 (the Act) to provide direction and oversee the activities of Desert Knowledge Australia.

Part 3 and Sections 11 to 20 of the Act established a Board for Desert Knowledge Australia. The Act is therefore the Terms of Reference/legislative framework for Board functions.

Local Benefit Advisory Panel

Non-statutory, established by the Minister in November 2015 and finished in May 2017

This Local Benefit Advisory Panel (the Panel) was established to provide independent advice to Northern Territory Government agencies of Buy Local aspects of tender responses valued at over \$5 million. The Panel was disbanded following the announcement of the Buy Local Industry Advocate on 17 May 2017 and the expansion of the Procurement Review Board to include a Buy Local Sub-committee.

Northern Territory Training Commission

Training and Skills Development Act

Sections 11 to 28 of the Training and Skills Development Act (the Act) established the Northern Territory Training Commission and its functions. The Act is therefore the Terms of Reference and legislative framework for functions of the NT Training Commission.

As a result of a Department of Trade, Business and Innovation review of the training function (in line with government policy), the Minister has decided not to continue with the NT Training Commission.

NT Build

Construction Industry Long Service Leave and Benefits Act

NT Build is a body corporate established pursuant to section 53 of the Construction Industry Long Service Leave and Benefits Act to administer the NT Build Portable Long Service Leave Scheme, and to advise and make recommendations to the Minister about the operation of the Construction Industry Long Service Leave and Benefits Act.

NT Veterans Affairs Ministerial Advisory Council

Non-statutory, established by the Minister in March 2016

The NT Veterans Affairs Ministerial Advisory Council was established to provide advice and support to the Northern Territory Government on issues affecting Australian Defence Force veterans and their families; to facilitate a collective approach to raising issues important to the veterans' community and assist in collating a body of knowledge to support local veterans' concerns.

Procurement Review Board

Procurement Act 1995

The Procurement Review Board (PRB) is established pursuant to section 6 of the Procurement Act 1995. The PRB determines appeals in relation to the eligibility or admissibility of a quote to tender in accordance with the Procurement Directions; reviews or audits agencies' procurement procedures or procurement activity; and advises the Minister, agencies or any other person in relation to procurement procedures or procurement activity in agencies.

Regional Economic Development Committees

Non-statutory, established by the Minister in June 2013

The aim of the Regional Economic Development Committees is to assist each region to grow its economic base by providing independent advice to the NT Government and other stakeholders on the regional development needs and priorities of the region.

Regional Economic Development Committees have been established in Alice Springs, East Arnhem, Katherine and Tennant Creek.

Strategic Defence Advisory Board

Non-statutory, established by the Minister in December 2014

The Strategic Defence Advisory Board is a consultative group of Defence sector specialists focused on providing advice to the Chief Minister. The role of the Strategic Defence Advisory Board is to assist the NT Government to achieve its strategic directions regarding the attraction and retention of defence-related investment to the NT. The Strategic Defence Advisory Board delivers high level strategic advice to the NT Government, and establishes and maintains strategic relationships with senior Australian and foreign government and Defence Force leaders.

Appendix C

This appendix provides a breakdown of grants and funding allocations above \$10 000, as identified through the departments business system records. Figures have been rounded to the nearest ten.

Business and Innovation NT grants and funding

Business Growth Program

A suite of innovative grants and consultant services to help existing businesses, Indigenous enterprises and not-for-profit organisations grow and become more viable.

Business Growth Program	Value (\$)
A & B Welding Pty Ltd	10 040
Ajumarllarl Aboriginal Corporation	13 640
All Hours Plumbing	12 290
Bawinanga Aboriginal Corporation	33 720
Blimey Charlie Pty Ltd	12 210
Clarke Constructions (NT) Pty Ltd	13 640
Cross Cultural Consultants International Pty Ltd	16 090
Crowhurst Engineering	34 080
Darwin Psychology Services Pty Ltd	12 610
Defend Fire Services Pty Ltd	25 820
East Arnhem Real Estate	10 000
ECB Training Services Pty Ltd	13 500
Floorskins Australia	12 730
Groote Eylandt Lodge Pty Ltd	14 550
Gumatj Corporation Limited	14 550
Hermannsburg Historical Society Incorporated	10 000
IE Project (NT) Pty Ltd	13 640
Ikuntji Artists Aboriginal Corporation	18 530
Injalak Arts & Crafts Association Incorporated	24 550
ITS Contracting Pty Ltd	23 640
Jaytex Pty Ltd	12 730
Julaikari Council Aboriginal Corporation	13 640
Me Duck Pty Ltd	10 000
Milingimbi Art and Cultural Aboriginal Corporation	16 000
Mimi Aboriginal Art & Craft	14 090
Mobile Electrics (NT) Pty Ltd	18 180
Mutchirr Corporation Ltd	10 000
Mutitjulu Community Aboriginal Corporation	15 250
Northern Australian Aboriginal Charitable Trust	12 730
Northern Territory Seafood Council Incorporated	27 900
Northern Territory Working Women's Centre Incorporated	23 440
NT Maintenance & Repairs	12 730
Phillips Earthmoving Contractors Pty Ltd	11 940
Power Projects NT Pty Ltd	10 000
SK Formwork Pty Ltd	15 000
Territory Instruments	10 820
Waaban Civil Pty Ltd	12 730
Waltja Tjutanku Palyapayi Aboriginal Corporation	13 640
Wilkinson Engineering Pty Ltd	12 690
Ziegam Pty Ltd	12 730

Smarter Business Solutions NT Program

Delivers technical advice, assistance and guidance to business people looking to adopt resource-efficient practices that are good for the financial bottom line, as well as being good for the environment.

Smarter Business Solutions	Value (\$)
Alice Reality (NT)	12 630
Alice Springs Cinema	16 820
Alyangula Recreation Club	10 000
Argus Apartments	20 000
Australian Blue Cypress Pty Ltd	19 730
Battery Hill Mining Incorporated	11 490
Chifley Alice Springs Resort	18 800
Dabsco	10 000
Desert Palms Alice Springs	10 000
Diplomat Trading Pty Ltd	10 000
EJ Fogarty Family Trust	20 000
Gilberts Transport Service Pty Ltd	10 000
HB Concrete Pty Ltd	10 000
Hibiscus Tavern Pty Ltd	30 000
Hohn's Anything Metal	10 450
IGA Express Darwin	19 600
IZOD SK & PL	13 950
LAE Supermarkets Pty Ltd	20 000
Larrizona Station	17 820
Lavery Plumbing Pty Ltd	20 000
Litchfield Motel	10 000
M.A Rathsmann & M.C. Molinaro	16 800
Mt Doreen Station	11 440
Napier Pastoral	32 870
Neutral Junction Proprietors	19 340
Palmer Valley Station	20 000
Pancho Beef	20 000
Ruby Downs Pastoral	15 820
St Phillips College	20 000
Suplejack Pastoral NT	40 000
Tarlton Downs Pty Ltd	40 000
Tennant Creek Station	15 880

Community Based Childcare Centre Program

Delivers grants and consultant services to ensure good governance and effective business systems exist in parent managed community based child care services to strengthen their viability.

Community Based Childcare	Value (\$)
Sallywags Child Care Centre Palmerston Incorporated	10 150
Tennant Creek Childcare Centre Incorporated	11 660

Indigenous Business Development Program

Assists Indigenous people and joint ventures (where Indigenous people hold significant equity) to enter or expand commercial business arrangements, that will support/facilitate employment and/or wealth creation opportunities.

Indigenous Business Development Program	Value (\$)
Adventure Wararrka	27 350
Andy's Data Cabling	13 420
Angkerle Aboriginal Corporation	26 680
Arafura Swamp Rangers Aboriginal Corporation	13 640
Arnhem Land Coastal Camp Pty Ltd	27 270
Berrimah Radiator Service	27 270
Binjari Community Aboriginal Corporation	27 270
Bulabula Arts Aboriginal Corp	17 000
Center Electrical & Air Conditioning	27 270
Centre Pest Management Pty Ltd	24 280
Cheeky Dogs Pty Ltd	14 260
CO Contracting Pty Ltd	27 270
Connop Transport NT Pty Ltd	27 270
Cross Cultural Consultants International Pty Ltd	27 580
CS Pastorial Pty Ltd	27 270
Darwin Pet Spa	19 430
Deadly Sweets	25 180
Deanne Maree Rioli	12 810
Deco Constructions Pty Ltd	27 270
Don Wilton	12 380
Gibson Civil Contracting Pty Ltd	22 730
GOAL Indigenous Services Pty Ltd	27 070
Gurindji Aboriginal Corporation	27 210
Illdugij Aboriginal Corporation	10 910
Institute for Aboriginal Development	26 020
Ironbark Aboriginal Corporation	23 930
Ironbark Principal Pty Ltd	27 270
Irranda Holdings Pty Ltd	27 110
Japarula Tourism	10 000
Jason Davidson Hampton	16 360
JAYEM Auto Repairs	20 470
Jimmy Olsen	12 380
Journey the Dreaming	11 760
Kakadu Billabong Safari Camp Pty Ltd	13 230
Lacey's Lawnmowing	28 030
Leonie Carpenter	10 140
Luwungunji	27 470
Manungurra Aboriginal Corporation	10 000
McArthur River Charters	22 120
Midas Document Management Services	24 630
Millwarparra Aboriginal Corporation	10 000
Moogie Down Productions	27 370
Ngukurr Arts Aboriginal Corporation	26 490
No Worries Gardening Services	26 510
Penelope and David Curtis	27 270
Practical Safety Australia Pty Ltd	27 880
SJ & T Training Pty Ltd	21 600
Stuart Yirawara Ankin	12 380
Tanyah Nasir Consulting Service	13 640
Tennant Creek Freight Lines Pty Ltd	27 270

Indigenous Business Development Program	Value (\$)
The Wulain Homelands Council Aboriginal Corporation	29 980
Thrive Property Group Pty Ltd	27 340
Tiwi Enterprises Pty Ltd	29 800
Turtleback Cultural Services	20 440
Warlpiri Youth Development Aboriginal Corporation	27 270
Wild Orchard Kakadu Plum Pty Ltd	15 000
Yagbani Aboriginal Corporation	14 700
Yilamara Indigenous Enterprises	19 080
Yolngu Arts & Culture	10 450

Industry Development Support Program

Provides funding to peak industry bodies to assist with industry sector development.

Industry Development Support Program	Value (\$)
Australian Hotels Association Northern Territory Branch Incorporated	339 000
Australian Industry Defence Network	115 000
Baptist Care Northern Territory	280 000
Business Enterprise Centre Darwin Region Incorporated	517 000
Chamber of Commerce Northern Territory	259 000
Civil Contractors Federation Northern Territory	102 000
Darwin City and Waterfront Retailers Association Incorporated	60 000
Industry Capability Network Northern Territory	1 160 000
Katherine Mining Services Association Incorporated	20 000
Motor Trades Association Northern Territory	66 000
Northern Territory Indigenous Business Network	150 000
Petroleum Club Northern Territory	40 000

Industry Development Grants

Supports the development of industries in the Northern Territory, grants are negotiated through industry bodies.

Industry Development Grants	Value (\$)
Ambrose Indigenous Business Pty Ltd	50 000
Australian Institute of Company Directors	32 970
Chamber of Commerce Northern Territory	70 000
Darwin City and Waterfront Retailers Association Incorporated	180 000
Darwin Community Arts Incorporated	20 000
Darwin Trailer Boat Club Incorporated	417 060
Rusca Environmental Solutions Pty Ltd	40 000
The Karama Community and Children's Centre Incorporated	25 000

Business Innovation Support Initiatives

Provides funding to initiate and promote innovation by assisting businesses to commence research and development projects in the areas of science, engineering, technology and design.

Business Innovation Support Initiatives (2015-16 approved funding allocation)	Value (\$)
Centre For Appropriate Technology Limited	24 920
Decision Support Analytics Pty Ltd	16 000
Gessit Pty Ltd*	64 730
Lateral Industries Pty. Ltd.	11 520
Mobi / Divi Australia Pty Ltd	22 730
Plumland Holdings Pty Ltd	24 000
SRA Information Technology Pty Ltd*	28 020
Station Innovation Pty Ltd	10 550
XLOCKTECH PTY LTD*	49 910

*these recipients received funding across multiple application rounds

Home Improvement Scheme

The Home Improvement Scheme is an economic stimulus program where homeowner-occupiers could apply for a voucher to undertake improvements on their principal place of residence. The scheme provided a boost to small, construction-related businesses and sole traders who registered as part of the scheme.

HIS 2016 was open to applicants between 5 June 2016 and 1 October 2016 where homeowners could apply for a voucher up to \$2 000 (excluding GST).

HIS 2017 was an amended scheme open between 5 February 2017 and 2 June 2017. The new scheme provided up to \$4 000 (excluding GST) and applicants that had already received a voucher under HIS 2016 could receive up to \$2 000 (excluding GST).

Region	HIS 2016		HIS 2017	
	Number of approved applications	Value (\$)	Number of approved applications	Value (\$)
Alice Springs and Central Australia	986	1 687 046	888	2 487 552
Barkly	11	18 821	9	22 658
Daly-Tiwi-West Arnhem	7	11 977	6	10 350
East Arnhem	10	17 110	2	8 000
Greater Darwin	6 009	10 281 339	5 399	14 976 001
Katherine	176	301 136	154	416 710
Total	7 199	12 317 429	6 458	17 921 271

Immediate Work Grants

Funds improvements, repairs and maintenance to not-for-profit and community organisations' service facilities and premises.

Region	Number of approved applications	Value (\$)
Alice Springs and Central Australia	44	3 679 511
Barkly	5	660 292
Daly-Tiwi-West Arnhem	11	923 290
East Arnhem	13	1 009 914
Greater Darwin	143	13 345 517
Katherine	11	948 847
Total	227	19 353 088

Home Renovation Grants

First home buyers of an existing property were eligible to receive a first home owner's renovation grant up to \$10 000, of which a maximum of \$2 000 could be spent on household goods.

Region	Number of approved applications	Value (\$)
Alice Springs and Central Australia	74	715 728
Barkly	2	19 344
Daly-Tiwi-West Arnhem	0	0
East Arnhem	0	0
Greater Darwin	246	2 379 312
Katherine	6	58 038
Total	328	3 172 422

Workforce NT Grants and Funding

Indigenous Response Program

Provides funding for training to meet the needs of Aboriginal people living in urban, regional and remote NT communities.

Description	Value (\$)	Number of businesses
Alice Springs	171 640	19
Barkly	857 880	26
Darwin	474 930	23
East Arnhem	425 580	20
Kakadu	246 430	12
Katherine	309 700	21
Total	2 486 160	121

Aboriginal workforce grants

Recipient	Value (\$)
Angkerle Aboriginal Corporation*	65 000
Arnhem Land Progress Aboriginal Corporation*	490 950
HR Links Pty Ltd	25 000
Industry Skills Advisory Council Northern Territory Inc	350 000
Karen Sheldon Catering Pty Ltd	232 000
Northern Territory Government Department of Infrastructure, Planning and Logistics	42 650
NT Project Group Pty Ltd	30 000
PDG-NT Pty Ltd	150 000
Tiwi Enterprises Pty Ltd	110 000

*these recipients received funding through more than one grant.

Pre-Employment training

Pre-Employment training programs give people practical skills to help them get a job, an apprenticeship or traineeship. Priority is given to programs that lead to employment in occupation shortage areas and occupations that are to fill.

Pre-employment Program	Value (\$)
Australian Maritime & Fishing Academy (AMFA)	74 880
Charles Darwin University (CDU)	60 000
Civil Construction Federation	33 600
Hospitality Industry Training (HITsa)	33 910
Human Services Training Advisory Council (TAC6-HSTAC)	33 000
International College of Advanced Education (ICAE)	44 820
YouthworX - CDU Electrical	26 430

Industry Buildskills

The Industry Buildskills program is a government initiative to assist Northern Territory (NT) employers to up-skill or re-skill existing workers.

Industry Buildskills	Value (\$)
BERT Training Fund	110 000
Civil Construction Federation SA	176 320
Housing Industry Association (HIA)	166 500
Human Services Training Advisory Council (TAC6-HSTAC)	73 250
Industry Skills Advisory Council (ISAC NT)*	110 000
Master Builders Construction*	452 670
Motor Trades Association	118 000
Primary Industries Training Advisory Council (TAC2-PITAC)	42 370
Site Skills Group	170 250
Transport, Engineering and Automotive Training Advisory Council (TAC3-TEATAC)	103 200

*these recipients received funding across multiple application rounds

User choice funding

Provided to registered training organisations to provide training and assessment to apprentices and trainees to achieve nationally recognised qualifications.

UserChoice (Apprenticeships and Traineeships)	Value (\$)
Alan Bartlett Consulting Pty Ltd	31 650
Alana Kaye Training	70 910
AMA Skills Training	63 540
ARO Educational Services	67 470
Asset Training (Allie Investments)	103 600
Associated Intelligence Analysts (Kevesther)	58 020
ATEC - Adelaide Training & Employment Centre	102 260
Aurecon Australasia Pty Ltd	73 040
AUSINET	51 510
Australian Employment and Training Services t/a Logan Workforce Solutions	67 060
Australian Training Alliance	63 080
Aviation Australia	127 240
BCA National Training Group	196 410
Carey Training Pty Ltd	163 680
Charles Darwin University	13 091 710
Central Outback Training (K.A. Boast)	179 440
Centre for Appropriate Technology	59 400
Coastal & Rural Training	699 530
Dovaston Training and Assessment Centre	582 060
Electrogroup Training	111 210
Fire Industry Training	17 940
Fox Education and Consultancy	35 870
FS Alliance (Food Safety Operations)	338 210
GTNT Training Plus	54 750
Hastings Deering Institute of Technology, IML International	41 610
Housing Industry Association Ltd	76 310
Industry Delivered Training	101 250
International College of Advanced Education	230 650
IS Australia	576 500
JB Hunter Technology	43 760
Lab Tech Training Pty Ltd	59 150
Matrix on Board Training	133 110
Melbourne Polytechnic	35 850
Municipal Training - Learning, Knowing Achieving	178 860

UserChoice (Apprenticeships and Traineeships)	Value (\$)
Murray Mallee Training Company Ltd	114 020
Nhulunbuy High School	23 760
Northern Territory Police, Fire and Emergency Services	118 110
Outback Stores Pty Ltd	152 470
Outsource Institute of Technology	149 110
RMIT University	395 390
Rowe Training & Consulting	317 650
Site Skills Training ; Site Institute	160 680
Swinburne University of Technology	115 090
Swinburne University of Technology	165 500
TAFE NSW - North Coast	23 200
TAFE NSW - Riverina	154 210
TAFE NSW - Riverina - blocks	52 000
TAFE Queensland (Skillstech)	53 980
TAFE Queensland (Southbank)	37 340
TAFE SA	209 320
TasTAFE	316 000
TFIA Business Services Pty Ltd	18 850
The Arnhem Land Progress Aboriginal Corporation	440 080
The Improve Group Learning Solutions	26 030
The Pharmacy Guild of Australia - National Secretariat	68 740
Tiwi Islands Training & Employment Board	114 270
Traditional Credit Union Ltd	51 530
Transforming Training (NT Christian Schools)	193 030
Transqual Pty Ltd	75 810
Wesley Vocational Institute	38 770
William Angliss Institute of TAFE	352 340

Equity training grants

Provide funding for programs that increase training and employment opportunities for people with disabilities; parents returning to the workplace after an absence of five years or more; long-term unemployed migrants; refugees; mature-aged people and very long-term unemployed people, or those at risk of becoming very long-term unemployed.

Equity Grants	Value (\$)
BCA National Training Group	86 000
Born to Win Consulting	127 720
Northern Joblink	76 400
SkillsLink	107 200

Provider training funding

Includes recurrent funding, student entitlements and the training loans scheme.

Registered Training Organisation	Value (\$)
Batchelor Institute	11,210,530
Seafood and Maritime Industries Training	426,120
Charles Darwin University	25,995,600
Nungalinga College	207,020
Institute for Aboriginal Development	139,710
Centre for Appropriate Technology	925,080
Desert Peoples Centre	200,000
BCA National Training Group	1,546,600
Carey Training	204,880
Learning Potential	134,240

Registered Training Organisation	Value (\$)
Site Skills Group	280,580
Alana Kaye Training	592,370
Ascent Training Group	88,320
Australian Institute of Electro Technology	37,500
Darwin Human Resource and Computer Academy	474,750
Outback Stores	102,740
NT Christian Schools	308,730
BJ Network Consulting Australia	217,330
Eagle Training Services	183,220
Karen Sheldon Training	80,220
Serata Network	178,710
Australian Careers College	82,500
Dovaston Consulting Group	75,000
The Pharmacy Guild of Australia	42,380
Rowe Training and Consulting	25,800

Other funding

Scheme or Recipient Name	Value (\$)
Employer Support Scheme	2 939 000
Employer Incentive Scheme	1 000 000
Employer Incentive Disadvantaged	216 000
Workwear/Work Gear Bonus Scheme	700 000
NT Working Women's Centre	390 860
Industry Skills Advisory Council NT	3 662 915
Charles Darwin University – 3D Printer	400 000

Higher Education Scholarships

Higher education scholarships were awarded to 40 Year 12 school leavers to assist them in undertaking their first degree. Scholarships are worth \$5000 per year.

- Mojolaoluwa Adigun
- Mikhaila Barroso
- Alyssa Cabry
- Henry Callander
- Sam Carr
- Franjesca Cercarelli
- Ashlee Chin
- Deanna Chin
- David Crowe
- Ritwik Dasgupta
- Marianna Diamandopoulos
- John Donnan
- Matilda Dorman
- Jarrah Fowler
- Rhianna Gaden
- Grace Goodman
- Sam Guempel-Crothers
- Marissa Higgins
- Millie Hunt
- Joel Jettner
- Briana Kemp
- Joel Kennaway
- Louis Kubasiewicz
- Douglas Lee
- Yiting Liang
- Sarah Macpherson-Oxley
- Zade Mauger
- Erin McDowell
- India McKaige
- Lucien McKaige
- Elliana Miles
- Christopher Milikins
- Meagan Morris
- Radita Naowal
- Lyndall Neate
- Themelina Roditis
- Courtney Stanwix
- Chantelle Weippert
- Natarsha Whelan
- Andrew Whitesmith

Northern Australia Development and Trade

Regional Economic Development Fund

The Regional Economic Development Fund supports the development of businesses and industry in all regions of the Northern Territory (NT). The grants are a one-off payment that contribute to the total cost of a project.

Regional Economic Development Fund	Value (\$)
Alice Springs Golf Club	30 000
Australian National Aviation Museum	15 000
Purpose Ventures	18 930
Centrefarm Aboriginal Horticulture Limited (for Aboriginal Land and Sea Economic Development Agency)	250 000
Equatorial Launch Australia	50 000
Lirriwi Tourism	25 000

Economic Development Framework Grants

Funding provided to organisations to support delivery of actions and commitments from the Economic Development Framework.

Economic Development Framework	Value (\$)
Central Land Council	300 000
Centrefarm Aboriginal Horticulture Limited (for Aboriginal Land and Sea Economic Development Agency)	500 000

Other funding

Recipient Name	Value (\$)
National Energy Resources Australia (NERA)	40 000
Aboriginal Resource & Development Services Inc.	208 000

Trade Support Scheme

Provides financial help to NT businesses to offset the costs of international marketing activities. The scheme can provide funding for up to 50% of the cost of approved activities.

Trade Support Scheme	Value (\$)
Associated Advertising & Promotions Pty Ltd	12 960
Australia China Business Council - Northern Territory	12 210
Big Fish Graphics NT	13 360
Chamber of Commerce Northern Territory	23 020
Engineers Australia (Northern Division)	14 170
George F Photography	12 440
Menzies School of Health Research	28 760
NT Beverages Group Pty Ltd	11 970
Stuart Park Chemists Pty Ltd	10 070
Universal Site Monitoring Pty Ltd	21 960

DefenceNT

The below grants are provided to support Defence Community Organisations and the defence industry in the Northern Territory.

Defence Community	Value (\$)
Returned Services League of Australia (SA) Darwin RSL Sub Branch	74 098
Triathlon Association of the Northern Territory	35 000

Defence Industry	Value (\$)
Developing East Arnhem Limited	75 000
Australian Industry Defence Network - Northern Territory	80 000
Chamber of Commerce Northern Territory	100 000
Energy Renaissance Pty Ltd	40 000
Master Builders Association (NT) Inc	30 000
NT Industry Capability Network	80 000

StudyNT

The below grants are provided to support international education students and programs within the Northern Territory.

StudyNT	Value (\$)
Australian Careers College	18 750
BCA National*	42 750
Charles Darwin University*	178 950
Chamber of Commerce	90 000
Darwin High School	15 000
Essington School	15 000
Fox Consulting	31 500
ICAE	11 250
Navitas English	10 000

*these recipients received funding across multiple application rounds

Appendix D

Office of Asian Engagement and Trade – International Coordination activities

DPIR - Department of Primary Industries and Resources

Date	Event Name	Inbound/Outbound Country	Purpose/Outcome	Participants
July 2016- June 2017	OAETI hosted 30 inbound delegations	<p>Inbound</p> <p>Argentina Canada China India Indonesia Japan Philippines Republic of South Korea Singapore Timor-Leste United States of America Vietnam</p>	<p>OAETI supports international engagement across government by leading and supporting international business and Ministerial delegations, attending targeted international and domestic trade shows and business councils by developing tailored visits programs for international officials and business representatives.</p>	<p>Department of Trade, Business and Innovation Department of the Chief Minister Department of Primary Industries and Resources Chamber of Commerce NT Charles Darwin University Governor of Negros Occidental Australia-China Business Council American Chamber of Commerce</p>

Date	Event Name	Inbound/Outbound Country	Purpose/Outcome	Participants
July 2016- June 2017	OAETI led/supported 19 outgoing delegations	<u>Outbound</u> Brunei China Indonesia India Papua New Guinea Malaysia Republic of South Korea Singapore Taiwan Vietnam	<p>OAETI supports international engagement across government by leading and supporting international business and Ministerial delegations, attending targeted international and domestic trade shows and business councils by developing tailored visits programs for government officials and business representatives.</p>	Department of Trade, Business and Innovation Department of the Chief Minister Department of Primary Industries and Resources Chamber of Commerce NT Charles Darwin University Australia-China Business Council
August 2016	Engaging with Asia Sports Forum	<u>Inbound</u> Brunei China Malaysia Singapore Timor-Leste	<p>The forum enabled greater networks between NT and Asian Sporting bodies.</p>	Minister for Asian Engagement Department of the Chief Minister Department of Trade, Business and Innovation
July 2016 June 2017	Timor-Leste Interns	<u>Inbound</u> Timor-Leste	<p>In support of Timor's newly formed trade and investment team, Department of Trade, Business and Innovation hosted 8 Timor-Leste interns. Outcome from plan of action and joint statement agreed at the NT Timor-Leste bilateral meeting.</p>	Timor-Leste Government Officials

Date	Event Name	Inbound/Outbound Country	Purpose/Outcome	Participants
August 2016 February 2017	Trilateral Meetings Australia /Indonesia /Timor-Leste	<u>Outbound</u> Kupang Indonesia Aug 16 <u>Inbound</u> Darwin Feb 17	Attend and support trilateral meeting of the Timor-Leste-Indonesia-Australia to promote and foster economic growth through integrated development within the sub-region of Eastern Indonesia, Northern Australia and Timor-Leste.	Department of Foreign Affairs and Trade Department of Trade, Business and Innovation Indonesia Government Timor-Leste Government
September 2016	Sabah International Expo in Malaysia	<u>Outbound</u> Malaysia	Promote NT Trade and Investment opportunities	Department of Trade, Business and Innovation Chamber of Commerce NT
October 2016 November 2016 May 2017 June 2017	Chief Minister's inaugural overseas visits	<u>Outbound</u> Japan South Korea China Timor-Leste Indonesia Singapore	Visits to priority countries of economic importance to the Territory, build strong connections with both governments and key corporates. China visit in conjunction with NT Rizhao Joint Economic Forum.	Whole of government including: Department of Trade, Business and Innovation Department of the Chief Minister Department of Primary Industries and Resources Department of Tourism and Culture Chamber of Commerce NT Private sector

Date	Event Name	Inbound/Outbound Country	Purpose/Outcome	Participants
December 2016	BIMP-EAGA Friendship Games	<u>Outbound</u> Samarinda, Indonesia	Chef de Mission for the NT sporting delegation that participated in the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) Friendship Games in Samarinda, Indonesia in December 2016. The games provided a significant opportunity for U21 year old athletes to compete internationally. This was an agreed outcome from the NT bi-lateral dialogue Priority 3 – Social, Cultural, Arts and sports.	Department of Trade, Business and Innovation Department of Tourism and Culture Delegation of 30 under 21's from various NT sporting organisations
March 2017	Conference of Australian and Indonesia Youth (CAUSINDY)	<u>Outbound</u> Bali Indonesia	CAUSINDY is a bilateral organisation which connects emerging leaders in Australia and Indonesia	Department of Trade, Business and Innovation
May 2017	Participation South Australia Trade and Investment Mission to China	<u>Outbound</u> Shandong Province China	Development of relationship at the working level between NT and SA trade facilitation, investment attraction and international policy officers.	Department of Trade, Business and Innovation Australia-China Business Council

Appendix E

Insurance Arrangements

Self-Insurance arrangements 2016-17

Insurable risk category	Mitigation strategies	No. of incidents	Value of claims (\$)
Public Liability	<ol style="list-style-type: none"> employees are instructed on occupational health and safety guidelines and incorporate this at all public events assessment undertaken with all procurement processes to ensure public liability is in accordance with the conditions of contract. 	Nil	Nil
Assets and Inventories - All	<ol style="list-style-type: none"> portable and attractable item policy and asset policy to provide guidance to employees regarding their responsibilities and accountability regular inspections and stocktakes. 	Nil	Nil
Assets and Inventories - Buildings	<ol style="list-style-type: none"> building audits e.g. security, maintenance, compliance appropriate security and testing e.g. fire systems, alarms, patrols repairs and maintenance and minor new works programs. 	Nil	Nil
Assets and Inventories - Vehicles	<ol style="list-style-type: none"> regular service and maintenance checks in accordance with manufacturer's recommendations. 	13	16 945
Indemnities	<ol style="list-style-type: none"> agency governance officer checks all contracts and agreements that contain indemnities and where possible indemnity clauses are removed from the contracts any new high risk indemnity is checked by the Department of Attorney-General and Justice a risk assessment is conducted on each indemnity and the project officer is required to confirm it is commercially acceptable approval process is in accordance with section 34 of the <i>Financial Management Act</i> and Treasurer's Direction G2.5 	Nil	Nil

Insurable risk category	Mitigation strategies	No. of incidents	Value of claims (\$)
Workers Compensation	<ol style="list-style-type: none"> 1. Work health and safety (WHS) policy 2. WHS governance framework implemented to ensure agency compliancy with relevant legislation 3. WHS Audit conducted every two years 4. WHS Building Committees meet regularly 5. Employee Assistance Program offered to employees 6. Trained First Aid Officers in each building 7. Early Intervention Program 8. Work-life balance strategies 9. Job specific training, support and inductions 10. Work-site assessments 11. Injury Management and Rehabilitation Services 12. Medical referrals and management plans 13. Purchase of commercial travel insurance to cover employees travelling overseas 	Total: 4 Ongoing: 0 New: 0 Closed: 2 Transferred: 2	8 973

Insurable risk category	Cost (\$)	No. of claims	Value of claims (\$)
Business Travel	996	1	443

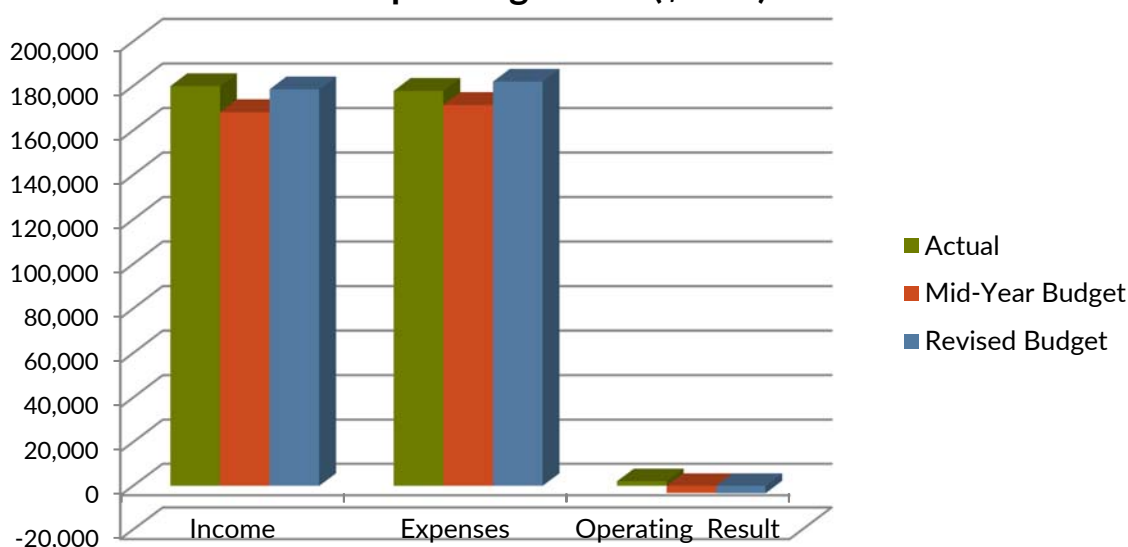
Appendix F

Financial Statements Overview

Main Results

- The department reported a surplus of \$2.123 million for the year, compared to a budgeted deficit of \$3.261 million at the Mid-Year Review. Due to Machinery of Government changes the Mid-Year Review budget is a more relevant comparison than the original budget as it reflects the department's current structure and outputs. This favorable outcome is due to unbudgeted funding recoveries from training programs of \$1.526 million due to economic conditions impacting on the commencements of apprenticeships. Additionally purchases of goods and services were below budget by \$3.99 million mainly as a result of the 'Ship Lift' and 'Luxury Hotel' projects expenditure carried forward to future years. Due to the nature and complexity of these projects it is difficult to predict the exact timing of expenditure. After adjusting for non-cash items the operating result is a surplus of \$4.957 million.
- Income was \$179.9 million or \$11.7 million above budget mainly due to unbudgeted funding contributions received for the National Disability Insurance Scheme program, the development of the strategic plan for the Aboriginal Land and Sea Economic Development Agency and the continued operation of the NT Working Women's Centre. Also above budget output appropriation relating to Economic Stimulus programs of \$8.4 million was received and funding recoveries from training programs of \$1.526 million.
- Expenses were \$177.8 million or \$6.3 million above budget mainly due to the asset revaluation write down of \$1.5 million of buildings at the Desert People Centre, unbudgeted increase in Goods and Services Received Free of Charge \$0.63 million, higher depreciation and amortisation of \$0.718 and \$8.45 million increase in grants for the new Home Improvement Scheme and delivery of government election commitments. This above budget expenditure was partially offset by the under spend in the 'Ship Lift' and the 'Luxury Hotel' projects.
- The department's net assets were \$29.3 million at year end and \$15.9 million less than the prior financial year resulting from the transfer of Training Centre assets of land, buildings and leased land to other NTG agencies, the write down of building during the year and equity withdrawals due to Machinery of Government changes.

**Department of Trade, Business and Innovation
Operating Result (\$ 000)**

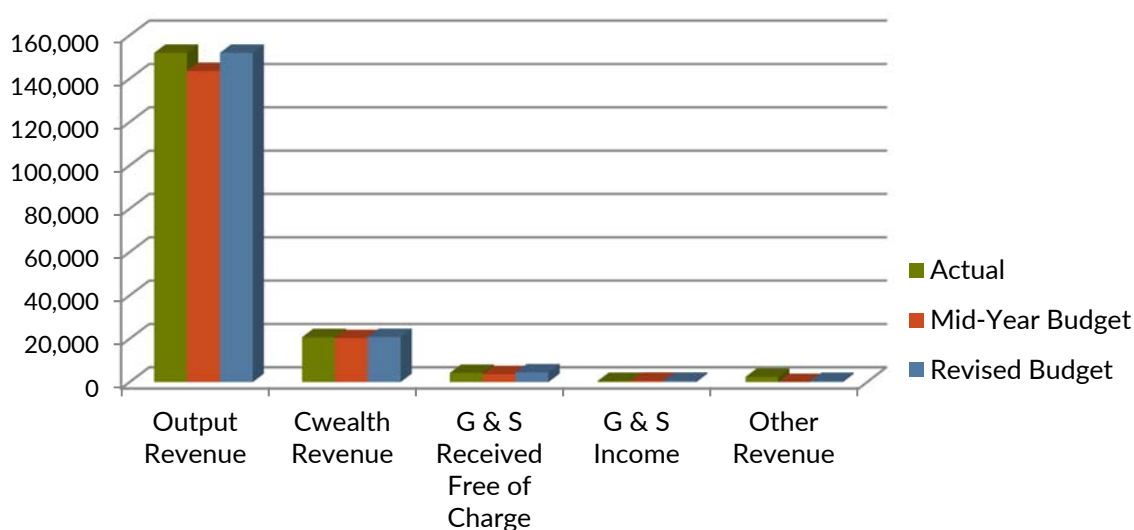


Income

The department received income of \$179.9 million in 2016-17 exceeding Mid-Year budget by \$11.7 million. The department's revenue was made up of the following:

- **Output Appropriation:** \$151.977 million (84.5%) of total revenue. This revenue received from the NT Government was used to fund Business and Industry Development and Support (42.5%), Employment and Skilling (53.7%), and Corporate and Governance (3.8%);
- **Commonwealth Appropriation:** \$20.731 million (11.5%) funding received from the Australian Government comprising of:
 - \$14.876 million under the National Agreement for Skills and Workforce Development;
 - \$5.855 million was for the National Partnership Agreement for Skills Reform;
- **Goods and Services Received Free of Charge:** \$4.269 million (2.4%) is notional revenue for office accommodation, information technology, procurement and payroll services provided by the Department of Corporate and Information Services and is offset by notional expense to the same value. This was \$0.631 million above Mid-Year budget as the realignment of budget for Machinery of Government changes did not occur until after the mid-year budget round;
- **Goods and Services Income:** \$0.533 million (0.3%) received from the sale of goods and services. This revenue was mainly sourced from sponsorships and recovery of costs; and
- **Other Revenue (including Interest Revenue and Grants and Subsidies Revenue):** \$2.413 million (1.3%) consists of co-contributions from other agencies to fund grants to support business, and refunds of funding provided in prior years due to under delivery of training programs.

Income by Source (\$ 000)

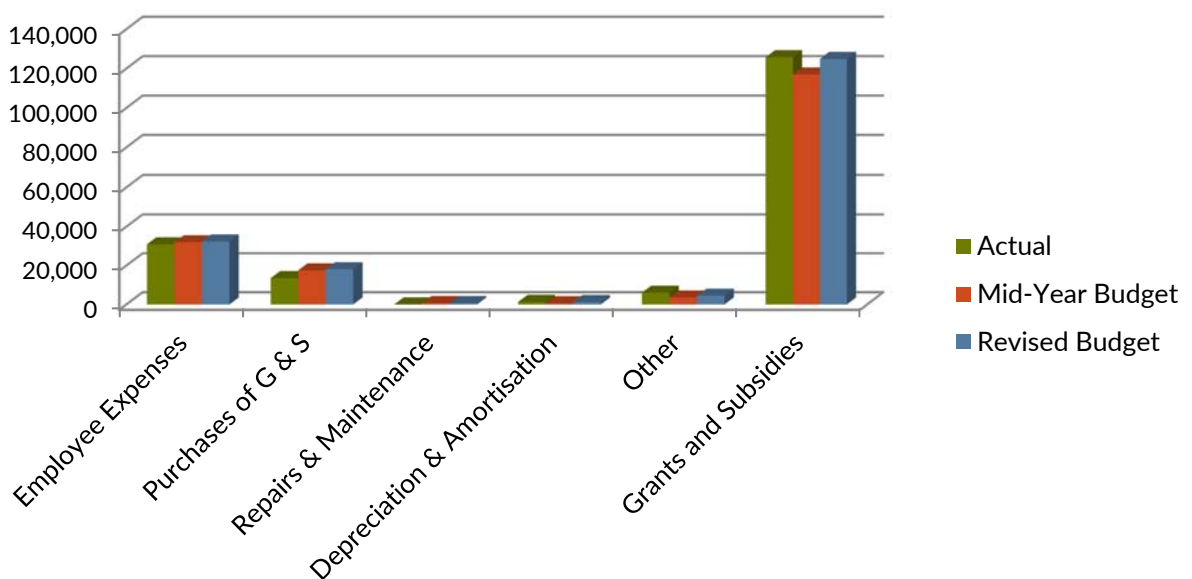


Expenses

The department incurred expenses of \$177.8 million in 2016-17 or \$6.323 million more than Mid-Year budget. The department's expenditure was made up of the following:

- **Employee Expenses:** \$30.952 million (17.4%) costs associated with staffing including salary, payroll tax and fringe benefits tax. This was \$1.034 million below budget due to additional employee funding received from Machinery of Government changes and the actual vacancy rate throughout the year was higher than expected;
- **Purchase of Goods and Services:** \$13.566 million (7.6%). This was \$3.992 million below budget predominantly as a result of time limited Strategic Infrastructure Projects that will be carried forward to the next financial year such as the 'Ship Lift' and 'Luxury Hotel'. Due to the nature and complexity of these projects, it is difficult to predict exact timing of expenditure;
- **Repairs and Maintenance:** \$0.09 million (0.1%). This was \$0.59 million below budget reflecting the reduction in repairs and maintenance requirements as a result of relocation to new and refurbished buildings;
- **Depreciation and Amortisation:** \$1.334 million (0.8%). This is a non cash cost and was higher than budget, as the Mid-Year budget did not include the updated estimate for assets transferred in due to Machinery of Government changes;
- **Other:** \$6.089 million (3.4%). This was \$2.451 million above budget and included the asset revaluation write down (\$1.5 million) of buildings at the Desert People Centre in Central Australia and doubtful debts expenses of \$0.32 million. It also includes Goods and Services Received Free of Charge which exceeded budget by \$0.63 million as the Mid-Year budget did not include Machinery of Government changes; and
- **Grants and Subsidies:** \$125.769 million (70.7%). This is the largest expense item for the department and was \$8.770 million above budget, reflecting the timing of actual Economic Stimulus payments were ahead of schedule and delivery of government election commitments and priorities.

Expenditure by Category (\$ 000)



Balance Sheet

The balance sheet provides a summary of the department's balances at the end of the financial year for assets, liabilities and equity.

Assets

The department held \$34.598 million worth of assets as at 30 June 2017 and \$21.662 million less than the prior year. The significant reduction in assets resulted from the transfer of training centres in remote regions to other Northern Territory Government agencies and external entities. The department held cash and deposits worth \$12.741 million (36.8%). The majority of this is money committed to the National Partnership Agreement – Skills Reform \$6.139 million and Strategic Infrastructure specific projects of \$3.239 million.

Liabilities

The department's liabilities as at 30 June 2017 were \$5.337 million. The main components were payables (amounts owing to suppliers) 21.6%, current provisions (mainly employee) 75.9%, and unearned revenue 2.5%.

Equity

Equity reflects the department's net assets or net worth which totalled \$29.261 million as at 30 June 2017. This represents a decrease of \$15.964 million compared to 30 June 2016. This is a result of the training centre asset transfers, transfers of assets resulting from Machinery of Government changes and the asset write down.

Cash Flow Statement

The cash flow statement provides information on how cash was received and spent during the year. It differs from the operating statement as the operating statement includes non-cash items.

The cash flows are summarised as follows:

	2016-17 \$'000
Net Cash from/(used in) Operating Activities	3 165
Net Cash from /(used in) Investing Activities	(208)
Net Cash from/(used in) Financing Activities	(9 435)
Net Increase/(Decrease) in Cash Held	(6 478)
Cash at Beginning of Financial Year	19 219
Cash at End of Financial Year	12 741

The department's cash balance is high due to funding from the Commonwealth which is scheduled to be spent in future years.

Appendix G

Financial Statements

Department of Trade, Business and Innovation

Certification of the Financial Statements

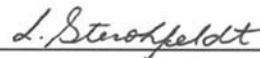
We certify that the attached financial statements for the Department of Trade, Business and Innovation have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Comprehensive Operating Statement, Statement of Financial Position, 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 2017 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.



MICHAEL TENNANT
Chief Executive Officer
30/08/2017



LISA STROHFELDDT
Chief Financial Officer
30/08/2017

Comprehensive Operating Statement

For the year ended 30 June 2017

	NOTE	2017 \$'000	2016 \$'000
INCOME			
Taxation Revenue		0	10 360
Grants and Subsidies Revenue			
Current		777	421
Appropriation			
Output		151 977	145 912
Commonwealth		20 731	25 432
Sales of Goods and Services	4	533	3 446
Goods and Services Received Free of Charge	5	4 269	5 403
Interest Income		2	2
Gain/Loss on disposal of assets	6	0	0
Other Income	7	1 634	940
TOTAL INCOME	3	179 923	191 916
EXPENSES			
Employee Expenses		30 952	40 330
Administrative Expenses			
Purchases of Goods and Services	8	13,566	14 795
Repairs and Maintenance		90	441
Depreciation and Amortisation	14,15	1 334	1 671
Other Administrative Expenses	9	6 089	5 767
Grants and Subsidies Expenses			
Current		122 125	126 139
Capital		3 644	3 144
Community service obligations		0	0
Interest Expenses		0	32
TOTAL EXPENSES	3	177 800	192 319
NET SURPLUS/(DEFICIT)		2,123	(403)
OTHER COMPREHENSIVE INCOME			
Changes in Accounting Policies		0	0
Correction of Prior Period Errors		0	0
Changes in Asset Revaluation		0	0
TOTAL OTHER COMPREHENSIVE INCOME		0	0
COMPREHENSIVE RESULT		2,123	(403)

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

Statement of Financial Position

For the year ended 30 June 2017

	NOTE	2017 \$'000	2016 \$'000
ASSETS			
Current Assets			
Cash and Deposits	11	12 741	19 219
Receivables	12	1 939	1 500
Advances and Investments	13	0	4
Prepayments		796	752
Total Current Assets		15 476	21 475
Non-Current Assets			
Advances and Investments	13	0	41
Property, Plant and Equipment	14,16	19 114	34 736
Heritage and Cultural Assets	15,16	8	8
Total Non-Current Assets		19 122	34 785
TOTAL ASSETS		34 598	56 260
LIABILITIES			
Current Liabilities			
Deposits Held		0	3 764
Payables	17	1 152	1 301
Borrowings and Advances	18	0	9
Provisions	19	4 049	4 060
Other Liabilities	20	136	0
Total Current Liabilities		5 337	9 134
Non-Current Liabilities			
Borrowings and Advances	18	0	574
Provisions	19	0	1 327
Total Non-Current Liabilities		0	1 901
TOTAL LIABILITIES		5 337	11 035
NET ASSETS		29 261	45 225
EQUITY			
Capital		35 907	53 994
Accumulated Funds		(6 646)	(8 769)
TOTAL EQUITY		29 261	45 225

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2017

	NOTE	Equity at 01 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$'000	\$'000	\$'000	\$'000
2016-17					
Accumulated Funds		(8 769)	2 123	0	(6 646)
		(8 769)	2 123	0	(6 646)
Capital - Transactions with Owners					
Equity Injections					
Capital Appropriation		1 000	0	964	1 964
Equity Transfers In		44 222	0	2 019	46 241
Other Equity Injections		13 553	0	4 459	18 012
Equity Withdrawals					
Capital Withdrawals		(4 699)	0	(10 511)	(15 210)
Transfer Out		(82)	0	(15 018)	(15 100)
		53 994	0	(18 087)	35 907
Total Equity at End of Financial Year		45 225	2 123	(18 087)	29 261
2015-16					
Accumulated Funds		(8 366)	(403)	0	(8 769)
		(8 366)	(403)	0	(8 769)
Capital - Transactions with Owners					
Equity Injections					
Capital Appropriation		1 000	0	0	1 000
Equity Transfers In		44 214	0	8	44 222
Other Equity Injections		13 553	0	0	13 553
Equity Withdrawals					
Capital Withdrawals		(4 699)	0	0	(4 699)
Transfer Out		(82)	0	0	(82)
		53 986	0	8	53 994
Total Equity at End of Financial Year		45 620	(403)	8	45 225

This 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 2017

	NOTE	2017 \$'000	2016 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Operating Receipts</i>			
Taxes Received		0	10 360
Grants and Subsidies Received			
Current		777	421
Appropriation			
Output		151 977	145 912
Commonwealth		20 731	25 432
Receipts from Sales of Goods and Services		9 697	15 300
Interest Received		2	2
Total Operating Receipts		183 184	197 427
<i>Operating Payments</i>			
Payments to Employees		(32 235)	(41 071)
Payments for Goods and Services		(22 015)	(24 180)
Grants and Subsidies Paid			
Current		(122 125)	(126 139)
Capital		(3 644)	(3 144)
Interest Paid		0	(32)
Total Operating Payments		(180 019)	(194 566)
Net cash from/(used in) Operating Activities	22	3 165	2 861
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Investing Receipts</i>			
Repayment of Advances		4	2
Total Investing Receipts		4	2
<i>Investing Payments</i>			
Purchase of Assets		(210)	(1 320)
Advances and Investing Payments		(2)	(4)
Total Investing Payments		(212)	(1 324)
Net cash from/(used in) Investing Activities		(208)	(1 322)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Financing Receipts</i>			
Deposits Received		0	4 306
Equity Injections			
Capital Appropriation		964	0
Other Equity Injections		4 459	0
Total Financing Receipts		5 423	4 306
<i>Financing Payments</i>			
Payment of Deposits Held		(3 764)	(2 015)
Finance Lease Payments		(583)	(6)
Equity Withdrawals		(10 511)	0
Total Financing Payments		(14 858)	(2 021)
Net cash from/(used in) Financing Activities		(9 435)	2 285
Net increase/(decrease) in Cash Held		(6 478)	3 824
Cash at Beginning of Financial Year		19 219	15 395
CASH AT END OF FINANCIAL YEAR	11	12 741	19 219

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 Department of Trade, Business and Innovation was established by the Northern Territory Government on 12 September, 2016.

The department is a key partner in stimulating and supporting the development of a competitive, responsible and productive business, industry and employment environment.

Additional information in relation to the department and its principal activities can be found in the body of the Annual Report.

The Department of Trade, Business and Innovation is predominantly funded by, and is dependent on, the receipt of Parliamentary appropriations. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several Output Groups. Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by output group.

(a) Machinery of Government Changes

Transfers In

Details of Transfer: StudyNT unit transferred from the Department of Education

Basis of Transfer: Administrative Arrangements Order 12 September 2016

Date of Transfer: Effective from 1 July 2016

The assets and liabilities transferred as a result of this change were as follows:

	\$000
Assets	
Cash	0
	<u>0</u>
Liabilities	
Payables	3
Provisions	29
	<u>32</u>
Net Assets	<u>-32</u>

(a) Machinery of Government Changes (continued)

Transfers In

Details of Transfer: Northern Australia Development Office, Strategic Defence, and Office of Major Projects, Investment and Infrastructure units transferred from the Department of the Chief Minister

Basis of Transfer: Administrative Arrangements Order 12 September 2016

Date of Transfer: Effective from 1 July 2016

The assets and liabilities transferred as a result of this change were as follows:

	\$000
Assets	
Cash	1,741
Prepayments	68
Property, Plant and Equipment	1,812
	<u>3,621</u>
Liabilities	
Payables	10
Provisions	692
	<u>702</u>
Net Assets	<u><u>2,919</u></u>

Transfers Out

Details of Transfer: Alcohol Policy unit transferred to the Department of Health

Basis of Transfer: Administrative Arrangements Order 12 September 2016

Date of Transfer: Effective from 1 July 2016

The assets and liabilities transferred as a result of this change were as follows:

	\$000
Assets	
Cash	4,314
	<u>4,314</u>
Liabilities	
Payables	7
Provisions	164
	<u>171</u>
Net Assets	<u><u>4,143</u></u>

(a) Machinery of Government Changes (continued)

Transfers Out

Details of Transfer: Red Tape Abolition Squad unit transferred to the Department of Treasury and Finance

Basis of Transfer: Administrative Arrangements Order 12 September 2016

Date of Transfer: Effective from 1 July 2016

The assets and liabilities transferred as a result of this change were as follows:

	\$000
Assets	
Cash	0
	<u>0</u>
Liabilities	
Payables	18
Provisions	55
	<u>73</u>
Net Assets	<u><u>-73</u></u>

Transfers Out

Details of Transfer: Licensing NT and NT WorkSafe units transferred to the Department of the Attorney-General and Justice

Basis of Transfer: Administrative Arrangements Order 12 September 2016

Date of Transfer: Effective from 1 July 2016

The assets and liabilities transferred as a result of this change were as follows:

	\$000
Assets	
Cash	9,289
Receivables	3
Prepayments	46
Property, Plant and Equipment	956
	<u>10,294</u>
Liabilities	
Deposits Held	3,759
Payables	150
Provisions	1,788
	<u>5,697</u>
Net Assets	<u><u>4,597</u></u>

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 Department of Trade, Business and Innovation to prepare financial statements for the year ended 30 June 2017 based on the form determined by the Treasurer. The form of the department's financial statements includes:

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Statement of Financial Position;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (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 consistent with the accrual budget format and 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.

The following new and revised accounting standards and interpretations were effective for the first time in 2016-17:

AASB 124 Related Party Disclosures

This standard applies to not-for-profit sector for the first time in 2016-17. The accounting standard requires disclosures about the remuneration of key management personnel, transactions with related parties, and relationships between parent and controlled entities. For any such transactions, disclosures will include the nature of the related party relationship, as well as information about those transactions' terms/conditions and amounts, any guarantees given/received, outstanding receivables/payables, commitments, and any receivables where collection has been assessed as being doubtful.

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

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 more than 12 months, 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.

While 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.

Consequently, it is expected that approximately \$0.65 million in operating lease commitments 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. In the comprehensive income statement the operating lease expense will be replaced with a depreciation expense relating to the right to use asset and interest expense relating to the lease liability. These cannot be quantified at this time.

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 with 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.

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 department is a Northern Territory department established under the *Interpretation Act Administrative Arrangements Order*.

The principal place of business of the department is: 19 Smith Street, Darwin, Northern Territory 0800.

(d) Agency and Territory Items

The financial statements of the Department of Trade, Business and Innovation include income, expenses, assets, liabilities and equity over which the department has control. The Territory items previously managed by the department have been transferred to the Department of the Attorney-General and Justice as a consequence of Administrative Arrangements Order issued on 12 September 2016.

(e) Comparatives

Where necessary, comparative information for the 2015-16 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 2016-17 as a result of management decisions.

(h) Accounting Judgements and Estimates

The preparation of the financial report requires the making of judgements 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 of making the judgements 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 revision and future periods if the revision affects both current and future periods.

Judgements and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgements and estimates are:

- Property, Plant and Equipment – Note 16: The fair value measurement of Non-Financial Assets.
- Allowance for Impairment Losses - Note 12: Receivables and 23: Financial Instruments.
- Depreciation and Amortisation - Note 14: Property, Plant and Equipment.

(i) Goods and Services Tax

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

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

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

	NOTE	Business and Industry Development and Support ⁽¹⁾		Employment and Skilling ⁽³⁾		Policy and Regulatory Support ⁽²⁾		Corporate and Governance		Total	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME											
Taxation Revenue		0	0	0	0	0	10 360	0	0	0	10 360
Current Grants and Subsidies Revenue		637	320	140	5	0	67	0	29	777	421
Appropriation Output		64 584	31 501	81 610	75 806	0	32 446	5 783	6 159	151 977	145 912
Commonwealth		0	0	20 731	17 567	0	7 865	0	0	20 731	25 432
Sales of Goods and Services	4	493	406	40	612	0	2 428	0	0	533	3 446
Interest Revenue		2	2	0	0	0	0	0	0	2	2
Goods and Services Received Free of Charge	5	1 626	2 052	2 503	620	0	2 186	140	545	4 269	5 403
Other Income	7	80	129	1 551	428	0	382	3	1	1 634	940
TOTAL INCOME		67 422	34 410	106 575	95 038	0	55 734	5 926	6 734	179 923	191 916
EXPENSES											
Employee Expenses		20 110	15 440	5 794	4 094	0	15 477	5 048	5 319	30 952	40 330
Administrative Expenses											
Purchase of Goods and Services	8	9 805	7 024	2 826	2 528	0	4 227	935	1 016	13 566	14 795
Repairs and Maintenance		59	77	29	322	0	34	2	8	90	441
Depreciation and Amortisation	14,15	851	157	473	1 286	0	186	10	42	1 334	1 671
Other Administrative Expenses	9	1 671	2 053	4 278	980	0	2 189	140	545	6 089	5 767
Grants and Subsidies Expenses											
Current		35 085	13 007	87 040	87 350	0	25 772	0	10	122 125	126 139
Capital		0	0	3 644	3 144	0	0	0	0	3 644	3 144
Interest expenses		0	0	0	32	0	0	0	0	0	32
TOTAL EXPENSES		67 581	37 758	104 084	99 736	0	47 885	6 135	6 940	177 800	192 319
NET SURPLUS / (DEFICIT)		(159)	(3 348)	2 491	(4 698)	0	7 849	(209)	(206)	2 123	(403)
TOTAL OTHER COMPREHENSIVE INCOME		0	0	0	0	0	0	0	0	0	0
COMPREHENSIVE RESULT		(159)	(3 348)	2 491	(4 698)	0	7 849	(209)	(206)	2 123	(403)

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (continued)

- (1) As a consequence of Administrative Arrangements Order issued on 12 September 2016, financial statements of the Department of Trade, Business and Innovation reflect the actual period of responsibility for the outputs, being the period 1 July 2016 to 30 June 2017 for the functions transferred in (i.e., Northern Australia Development Office, Strategic Defence, Office of Major Projects, Investment and Infrastructure and StudyNT, which form part of the Business and Industry Development and Support output group). Comparative amounts for the prior years have not been adjusted.
- (2) As a consequence of Administrative Arrangements Order issued on 12 September 2016, financial statements of the Department of Trade, Business and Innovation reported nil result for 2016-17 for the Policy and Regulatory Support output group transferred out. Comparative amounts for the prior years have not been adjusted.
- (3) Migration NT was transferred from the Business and Industry Development and Support to the Employment and Skilling output group during 2016-17.

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

Income

Income Recognition

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchange 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 entity 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.

Output Appropriation is apportioned between the output groups based on the cost of delivering the Department of Trade, Business Innovation's strategic priorities.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations. It has resulted in Special Purpose Payments and National Partnership 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 on-passed 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.

Interest Revenue

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

4. SALES OF GOODS AND SERVICES

	2017	2016
	\$'000	\$'000
Fees from Regulatory Services ⁽¹⁾	0	2 428
Other Goods and Services Revenue	533	1 018
Total Sales of Goods and Services	533	3 446

(1) Includes insurers' contribution implemented by NT WorkSafe under the *Return to Work Act* and other fees relating to services provided by Licensing NT.

Sale of Goods

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

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

Rendering of Services

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

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

5. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2017	2016
	\$'000	\$'000
Department of Corporate and Information Services SLA Charges	4 269	5 403
Total Goods and Services Received Free of Charge	4 269	5 403

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.

The Department of Corporate and Information Services provide free of charge services to the Department of Trade, Business and Innovation.

6. GAIN/LOSS ON 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.

The Department of Trade, Business and Innovation did not make any gain/loss on disposal of assets in 2016-17.

7. OTHER INCOME

	2017 \$'000	2016 \$'000
Recoveries of Prior Year Vocational Education and Training Funding	1 526	429
Miscellaneous Income	108	511
Total Other Income	1 634	940

Expenses

8. PURCHASES OF GOODS AND SERVICES

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

	2017 \$'000	2016 \$'000
Goods and Services Expenses:		
Consultants ⁽¹⁾	3 560	2 670
Advertising ⁽²⁾	28	85
Accommodation	277	361
Marketing and Promotion ⁽³⁾	2 075	2 408
Document Production	28	85
Communications	360	570
Information Technology Charges ⁽⁴⁾	2 001	2 737
Legal Expenses ⁽⁵⁾	834	240
Ex Gratia Payments	321	0
Motor Vehicle Expenses	413	876
Membership and Subscription	233	123
Training and Study	258	368
Official Duty Fares	441	608
Travelling Allowance	134	219
Audit Fees	63	89
Client Travel	210	286
Equipment Expenses ⁽⁶⁾	244	297
Office Requisites & Stationery	62	87
Recruitment ⁽⁷⁾	33	85
Property Management	374	1 177
Agent Service Arrangements ⁽⁸⁾	426	26
Other Expenses	1 191	1 398
Total Purchases of Goods and Services	13 566	14 795

(1) Includes marketing, promotion and IT consultants.

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

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

(4) Includes general IT technology charges and IT hardware & software expenses, but does not include IT consultants, which are incorporated in the consultants' category.

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

(6) Includes multi-function device lease charges and other equipment costs.

(7) Includes recruitment-related advertising costs.

(8) Includes service arrangements with Commonwealth Government agencies.

Repairs and Maintenance Expenses

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

Interest Expense

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

9. OTHER ADMINISTRATIVE EXPENSES

	2017	2016
	\$'000	\$'000
Department of Corporate and Information Services SLA Charges	4 269	5 403
Asset Revaluation Decrement	1 499	0
Asset Impairment Loss	0	140
Assets Donated and Gifted	0	221
Bad and Doubtful Debts ⁽¹⁾	321	3
Total Other Administrative Expenses	6 089	5 767

(1) Includes allowance for impairment loss on Accounts Receivable and Advances.

10. WRITE OFFS, POSTPONEMENTS, WAIVERS, GIFTS AND EX GRATIA PAYMENTS

	Agency		Agency		Territory Items		Territory Items	
	2017 \$'000	No. of Trans.	2016 \$'000	No. of Trans.	2017 \$'000	No. of Trans.	2016 \$'000	No. of Trans.
Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i>								
Represented by:								
<i>Amounts written off, postponed and waived by Delegates</i>								
Irrecoverable amounts payable to the Territory or an agency written off ^(a)	0	0	0	1	0	0	0	0
Losses or deficiencies of money written off	0	0	0	0	0	0	0	0
Public property written off	0	0	0	0	0	0	0	0
Waiver or postponement of right to receive or recover money or property	0	0	0	0	0	0	0	0
Total Written off, Postponed and Waived by Delegates	0	0	0	1	0	0	0	0
<i>Amounts written off, postponed and waived by the Treasurer</i>								
Irrecoverable amounts payable to the Territory or an agency written off	0	0	20	1	0	0	0	0
Losses or deficiencies of money written off	0	0	0	0	0	0	0	0
Public property written off	0	0	0	0	0	0	0	0
Waiver or postponement of right to receive or recover money or property	0	0	0	0	0	0	0	0
Total Written off, Postponed and Waived by the Treasurer	0	0	20	1	0	0	0	0
Write-offs, Postponements and Waivers Authorised Under Other Legislation	0	0	0	0	0	0	0	0
Gifts Under the <i>Financial Management Act</i> ^(b)	0	0	221	2	0	0	0	0
Gifts Authorised Under Other Legislation	0	0	0	0	0	0	0	0
Ex Gratia Payments Under the <i>Financial Management Act</i> ^(c)	321	2	0	0	0	0	0	0

(a) There was one Agency write-off by Delegates during 2015-16, however the amount is under \$500 and has been rounded down to zero.

(b) Two training centre assets were gifted to community organisations during 2015-16.

(c) The two ex gratia payments were made during 2016-17 to the unsuccessful proponents that participated in the Request for Detailed Proposals phase of the Darwin Luxury Hotel Project.

Assets

11. CASH AND DEPOSITS

	2017	2016
	\$'000	\$'000
Cash on Hand	4	13
Cash at Bank	12 737	19 206
Total Cash And Deposits	12 741	19 219

For the purposes of the Statement of Financial Position and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 27.

12. RECEIVABLES

	2017	2016
	\$'000	\$'000
Current		
Accounts Receivable	521	259
Less: Allowance for Impairment Losses	(319)	(13)
	202	246
GST Receivables	1 605	1 135
Other Receivables	132	119
Total Receivables	1 939	1 500

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. Analyses 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 23 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

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

13. ADVANCES AND INVESTMENTS

	2017	2016
	\$'000	\$'000
Current		
Advances Paid	2	4
Less: Allowance for Impairment Losses	(2)	0
	0	4
Non Current		
Advances Paid	40	41
Less: Allowance for Impairment Losses	(40)	0
	0	41
Total Advances	0	45

Advances and Investments are held at fair value less any allowance for impaired losses. Any impairment losses are reported in the Comprehensive Operating Statement.

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.

14. PROPERTY, PLANT AND EQUIPMENT

	2017 \$'000	2016 \$'000
Land		
At Fair Value	0	980
	0	980
Leased Land		
At Capitalised Cost	0	641
Less: Accumulated Depreciation	0	(65)
	0	576
Buildings		
At Fair Value	19 879	61 071
Less: Accumulated Depreciation	(4 237)	(31 138)
Less: Accumulated Impairment Loss	(529)	(529)
	15 113	29 404
Plant and Equipment		
At Fair Value	7 211	5 236
Less: Accumulated Depreciation	(3 731)	(2 723)
	3 480	2 513
Computer Software		
At Capitalised Cost	638	0
Less: Accumulated Depreciation	(117)	0
	521	0
Computer Software Work in Progress		
At Capitalised Cost	0	1 263
	0	1 263
Total Property, Plant and Equipment	19 114	34 736

The Training Centre assets (Land, Leased Land and Buildings) were transferred out as at 1 July 2016 to other NTG agencies.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

2017 Property, Plant and Equipment Reconciliations

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

	Land \$'000	Leased Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Computer Software \$'000	Computer Software Work in Progress \$'000	Total \$'000
Carrying Amount as at 1 July 2016	980	576	29 404	2 513	0	1 263	34 736
Additions	0	0	0	43	0	167	210
Depreciation and Amortisation	0	0	(387)	(830)	(117)	0	(1 334)
Additions/(Disposals) from administrative restructuring	0	0	0	1 547	0	(792)	755
Additions/(Disposals) from Asset Transfers	(980)	(576)	(12 405)	207	638	(638)	(13 754)
Revaluation increments/(decrements)	0	0	(1 499)	0	0	0	(1 499)
Impairment losses	0	0	0	0	0	0	0
Carrying Amount as at 30 June 2017	0	0	15 113	3 480	521	0	19 114

2016 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of 2015-16 is set out below:

	Land \$'000	Leased Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Computer Software \$'000	Computer Software Work in Progress \$'000	Total \$'000
Carrying Amount as at 1 July 2015	980	592	30 937	2 941	0	0	35 450
Additions	0	0	0	55	0	1 263	1 318
Depreciation and Amortisation	0	(16)	(1 172)	(483)	0	0	(1 671)
Additions/(Disposals) from administrative restructuring	0	0	0	0	0	0	0
Additions/(Disposals) from Asset Transfers	0	0	(221)	0	0	0	(221)
Revaluation increments/(decrements)	0	0	0	0	0	0	0
Impairment losses	0	0	(140)	0	0	0	(140)
Carrying Amount as at 30 June 2016	980	576	29 404	2 513	0	1 263	34 736

14. PROPERTY, PLANT AND EQUIPMENT (continued)

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 the Department of Trade, Business and Innovation 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.

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; and
- heritage and cultural assets;

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

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

The latest revaluations as at 30 June 2017 were independently conducted. The valuer was Territory Property Consultants (TPC). Refer to Note 16: Fair Value Measurement of Non-Financial Assets for additional disclosures.

14. PROPERTY, PLANT AND EQUIPMENT (continued)

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 2017. No impairment adjustments were required as a result of this review.

Depreciation and Amortisation Expense

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

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

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

	2017	2016
Buildings	40 - 50 Years	10 - 50 Years
Plant and Equipment	5 - 10 Years	5 - 10 Years
Computer Software	5 Years	N/A
Cultural Asset	100 Years	100 Years
Leased Land	N/A	20 - 40 Years

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

15. HERITAGE AND CULTURAL ASSETS

	2017 \$'000	2016 \$'000
Carrying Amount		
At Valuation	10	10
Less: Accumulated Depreciation	(2)	(2)
Written down value as at 30 June	8	8
Reconciliation of Movements		
Carrying Amount as at 1 July	8	8
Depreciation	0	0
Additions/(Disposals) from Asset Transfers	0	0
Carrying Amount as at 30 June	8	8

Impairment of Heritage and Cultural Assets

Agency heritage and cultural assets were assessed for impairment as at 30 June 2017. No impairment adjustments were required as a result of this review.

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.

16. 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:

2016-17	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
Asset Classes				
Land (Note 14)			0	0
Buildings (Note 14)			15 113	15 113
Plant and Equipment (Note 14)			3 480	3 480
Computer Software (Note 14)			521	521
Heritage and Cultural Assets (Note 15)			8	8
Total	0	0	19 122	19 122

2015-16	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
Asset Classes				
Land (Note 14)			980	980
Buildings (Note 14)			29 404	29 404
Plant and Equipment (Note 14)			2 513	2 513
Computer Software (Note 14)			0	0
Heritage and Cultural Assets (Note 15)			8	8
Total	0	0	32 905	32 905

There were no transfers between Level 1 and Level 2 or 3 during 2016-17.

(b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2016-17 are:

	Level 2 Techniques	Level 3 Techniques
Asset Classes		
Buildings		Cost approach
Plant and Equipment		Cost approach
Computer Software		Cost approach
Heritage and Cultural Assets		Cost approach

There were no changes in valuation techniques from 2015-16 to 2016-17.

Territory Property Consultants (TPC) provided valuations for the buildings assets located at the Desert People Centre in Central Australia. Physical inspections were conducted by TPC. Fair values of these specialised buildings were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement costs on a per structure basis, have been ascertained from in-office records, analysis of construction contracts for new constructions over the past 3 years, on either a whole or part basis, information received from major construction contractors/architects/quantity surveyors and engineers cross referenced to Rawlinson's, Cordell's and the Building Economists guidelines to derive construction cost rates on a per square metre/net area modern equivalent basis. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

Plant and Equipment, Computer Software and Heritage and Cultural Assets assets are stated at historical cost less depreciation which is deemed to equate to fair value.

(c) Additional Information for Level 3 Fair Value Measurements

(i) Reconciliation of Recurring Level 3 Fair Value Measurements

2016-17	Land	Buildings	Plant and Equipment	Computer Software	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Fair value as at 1 July 2016	980	29 404	2 513	0	8	32 905
Additions/transfers in	0	0	2 062	638	0	2 700
Disposals/transfer out	(980)	(12 405)	(265)	0	0	(13 650)
Transfers from level 2	0	0	0	0	0	0
Transfers to level 2	0	0	0	0	0	0
Depreciation	0	(387)	(830)	(117)	0	(1 334)
Gains/losses recognised in net surplus/deficit	0	(1 499)	0	0	0	(1 499)
Gains/losses recognised in other comprehensive income	0	0	0	0	0	0
Fair value as at 30 June 2017	0	15 113	3 480	521	8	19 122

2015-16	Land	Buildings	Plant and Equipment	Computer Software	Heritage and Cultural Assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Fair value as at 1 July 2015	980	30 937	2 941	0	8	34 866
Additions	0	0	55	0	0	55
Disposals	0	0	0	0	0	0
Transfers from level 2	0	0	0	0	0	0
Transfers to level 2	0	0	0	0	0	0
Depreciation	0	(1 172)	(483)	0	0	(1 655)
Gains/losses recognised in net surplus/deficit	0	(361)	0	0	0	(361)
Gains/losses recognised in other comprehensive income	0	0	0	0	0	0
Fair value as at 30 June 2016	980	29 404	2 513	0	8	32 905

(ii) Sensitivity Analysis

Unobservable inputs used in computing the fair value of buildings. The fair values of these specialised buildings are sensitive to the movements in the value of inputs to the estimation of current replacement costs and changes in the useful life of each building.

Unobservable inputs used in computing the fair value of land, plant and equipment, computer software and heritage and cultural assets include the historical cost and the consumed economic benefit of each asset. Given the use of these assets, 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.

Liabilities

17. PAYABLES

	2017	2016
	\$'000	\$'000
Accounts Payable	503	383
Accrued Expenses	649	918
Total Payables	1 152	1 301

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.

18. BORROWINGS AND ADVANCES

	2017	2016
	\$'000	\$'000
Current		
Finance Lease Liabilities	0	9
Non-Current		
Finance Lease Liabilities	0	574
Total Borrowings and Advances	0	583

Finance Lease Liabilities	Minimum Lease Payments		Present Value of the Minimum Lease Payments	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Not later than one year	0	37	0	9
1 to 5 years	0	147	0	42
Later than 5 Years	0	970	0	532
	0	1 154	0	583
Less future finance charges	0	(571)	0	0
Total Finance Leases Liabilities	0	583	0	583

Finance Lease Arrangements

The Department of Trade, Business and Innovation entered into a finance lease arrangement in 2012 to lease land for its training centres on Aboriginal land in five remote communities in the Northern Territory.

The lease terms vary between 20 and 40 years with most of them offering lease extension options. The present value discount factor used for the minimum lease payments is 4.72% since the inception of the leases in 2012.

On 1 July 2016, the Department of Trade, Business and Innovation transferred the land leases along with the remote training centres to the Department of Housing and Community Development for repurposing the facilities to better align with government priorities.

19. PROVISIONS

	2017	2016
	\$'000	\$'000
Current		
<i>Employee Benefits:</i>		
Recreation Leave	3 142	2 861
Leave Loading	392	537
Other Employee Benefits	44	54
Provision for Employer Superannuation Contributions	192	259
<i>Other Current Provisions:</i>		
Other Provisions ⁽¹⁾	279	349
Non-Current		
<i>Employee Benefits:</i>		
Recreation Leave ⁽²⁾	0	1 327
Total Provisions	4 049	5 387

Reconciliations of Other Provisions ⁽¹⁾

	2017	2016
	\$'000	\$'000
Balance as at 1 July	349	353
Additional provisions recognised	457	518
Reductions arising from payments	(527)	(522)
Balance as at 30 June	279	349

(1) Other provisions relate to fringe benefits tax and payroll tax.

(2) Non-Current Recreation Leave Provisions have been reclassified to Current Provisions. Comparative year figure has not been adjusted.

The Department of Trade, Business and Innovation employed 235.56 full time equivalent (FTE) employees including 7.4 FTEs for NT Build as at 30 June 2017 (357.77 full time equivalent employees including 6.8 FTEs for NT Build as at 30 June 2016).

Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long-term bond rate.

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

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

- wages and salaries, non-monetary benefits, recreation leave, sick leave and other leave entitlements; and
- 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, including the Department of Trade, Business and Innovation 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.

20. OTHER LIABILITIES

	2017 \$'000	2016 \$'000
Current		
Unearned Revenue	136	0
Total Other Liabilities	136	0

21. 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 contracted for at balance date but not recognised as liabilities are payable as follows:

	2017		2016	
	Internal	External	Internal	External
	\$'000	\$'000	\$'000	\$'000
Within one year	77	1 234	77	1 234
Later than one year and not later than five years	0	0	0	0
Later than five years	0	0	0	0
	77	1 234	77	1 234

(ii) Operating Lease Commitments

The agency leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the entity with a right of renewal at which time all lease terms are renegotiated.

Future operating lease commitments not recognised as liabilities are payable as follows:

	2017		2016	
	Internal	External	Internal	External
	\$'000	\$'000	\$'000	\$'000
Within one year	303	1	494	14
Later than one year and not later than five years	349	0	576	1
Later than five years	0	0	0	0
	652	1	1 070	15

(iii) Other Expenditure Commitments

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

	2017		2016	
	Internal	External	Internal	External
	\$'000	\$'000	\$'000	\$'000
Within one year	0	24 867	0	8 503
Later than one year and not later than five years	0	1 723	0	4 752
Later than five years	0	0	0	0
	0	26 590	0	13 255

Other Disclosures

22. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Cash

The total of Agency cash and deposits of \$12,740,698 recorded in the Statement of Financial Position is consistent with that recorded as cash in the Cash Flow Statement.

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

	2017	2016
	\$'000	\$'000
Net Operating Surplus/(Deficit):	2 123	(403)
Non-Cash Items:		
Depreciation and amortisation	1 334	1 671
Asset Write-Offs/Write-Downs	1 499	140
Asset Donations/Gifts	0	221
Repairs and Maintenance- Minor New Work Non Cash	0	6
Doubtful Debts Expense - Other	43	0
Changes in Assets and Liabilities:		
Decrease/(Increase) in Receivables	(439)	2 000
Decrease/(Increase) in Prepayments	(44)	(139)
(Decrease)/Increase in Payables	(149)	(825)
(Decrease)/Increase in Provision for Employee Benefits	(1 268)	194
(Decrease)/Increase in Other Provisions	(70)	(4)
(Decrease)/Increase in Other Liabilities	136	0
Net Cash From Operating Activities	3 165	2 861

23. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments held by the Department of Trade, Business and Innovation include cash and deposits, receivables, advances, and payables. The Department of Trade, Business and Innovation has limited exposure to financial risks as discussed below.

Financial assets and liabilities are recognised on the Statement of Financial Position when the agency becomes a party to the contractual provisions of the financial instrument.

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.

(a) Categorisation of Financial Instruments

The carrying amounts of the Department of Trade, Business and Innovation's financial assets and liabilities by category are disclosed in the table below and overleaf.

2016-17 Categorisation of Financial Instruments

	Fair value through profit or loss				Total
	Held for trading	Designated at fair value	Financial assets - Loans and receivables	Financial Liabilities - amortised cost	
	\$000	\$000	\$000	\$000	
Cash and deposits	0	12 741	0	0	12 741
Receivables ⁽¹⁾	0	0	334	0	334
Advances	0	0	0	0	0
Total Financial Assets	0	12 741	334	0	13 075
Deposits held	0	0	0	0	0
Payables	0	1 152	0	0	1 152
Finance Lease Liabilities	0	0	0	0	0
Total Financial Liabilities	0	1 152	0	0	1 152

(1) Total amounts disclosed here exclude statutory amounts.

23. FINANCIAL INSTRUMENTS (continued)

(a) Categorisation of Financial Instruments (continued)

2015-16 Categorisation of Financial Instruments

	Fair value through profit or loss				Total
	Held for trading	Designated at fair value	Financial assets - Loans and receivables	Financial Liabilities - amortised cost	
	\$000	\$000	\$000	\$000	
Cash and deposits	0	19 219	0	0	19 219
Receivables ⁽¹⁾	0	0	365	0	365
Advances	0	0	45	0	45
Total Financial Assets	0	19 219	410	0	19 629
Deposits held	0	3 764	0	0	3 764
Payables	0	1 301	0	0	1 301
Finance Lease Liabilities	0	0	0	583	583
Total Financial Liabilities	0	5 065	0	583	5 648

(1) Total amounts disclosed here 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; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

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

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

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

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

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those held for trading and available for sale. Loans and receivables exclude statutory receivables.

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.

(b) Credit Risk

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

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the department'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 and overleaf.

Internal Receivables	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2016-17			
Not Overdue	132	0	132
Overdue for less than 30 Days	0	0	0
Overdue for 30 to 60 Days	0	0	0
Overdue for more than 60 Days	0	0	0
Total	132	0	132

23. FINANCIAL INSTRUMENTS (continued)

(b) Credit Risk (continued)

Internal Receivables	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2015-16			
Not Overdue	129	0	129
Overdue for less than 30 Days	1	0	1
Overdue for 30 to 60 Days	3	0	3
Overdue for more than 60 Days	0	0	0
Total	133	0	133

External Receivables	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2016-17			
Not Overdue	481	303	178
Overdue for less than 30 Days	6	0	6
Overdue for 30 to 60 Days	18	0	18
Overdue for more than 60 Days	16	16	0
Total	521	319	202

Reconciliation of the Allowance for Impairment Losses		\$'000
2016-17		
Opening		13
Written off during the year		0
Recovered during the year		0
Increase/(decrease) in allowance recognised in profit or loss		306
Total		319

External Receivables	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2015-16			
Not Overdue	185	0	185
Overdue for less than 30 Days	35	0	35
Overdue for 30 to 60 Days	0	0	0
Overdue for more than 60 Days	25	13	12
Total	245	13	232

Reconciliation of the Allowance for Impairment Losses		\$'000
2015-16		
Opening		31
Written off during the year		(20)
Recovered during the year		0
Increase/(decrease) in allowance recognised in profit or loss		2
Total		13

(c) **Liquidity Risk**

Liquidity risk is the risk that the department will not be able to meet its financial obligations as they fall due. The department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due. This is managed by maintaining adequate reserves by continuously monitoring projected and actual cash flows.

The table details the department's remaining contractual maturity for its financial assets and liabilities. It should be noted that these values are undiscounted, and consequently totals may not reconcile to the carrying amounts presented in the Statement of Financial Position.

2017 Maturity analysis for financial assets and liabilities

	Variable Interest \$'000	Fixed Interest Rate			Non Interest Bearing \$'000	Total \$'000	Weighted Average %
		Less than a Year \$'000	1 to 5 Years \$'000	More than 5 Years \$'000			
Financial Assets							
Cash and deposits	0	0	0	0	12 741	12 741	
Receivables	0	0	0	0	334	334	
Advances	0	0	0	0	0	0	
Total Financial Assets	0	0	0	0	13 075	13 075	
Financial Liabilities							
Deposits Held	0	0	0	0	0	0	
Payables	0	0	0	0	1 152	1 152	
Borrowings and Advances	0	0	0	0	0	0	
Total Financial Liabilities	0	0	0	0	1 152	1 152	

2016 Maturity analysis for financial assets and liabilities

	Variable Interest \$'000	Fixed Interest Rate			Non Interest Bearing \$'000	Total \$'000	Weighted Average %
		Less than a Year \$'000	1 to 5 Years \$'000	More than 5 Years \$'000			
Financial Assets							
Cash and deposits	0	0	0	0	19 219	19 219	
Receivables	0	0	0	0	365	365	
Advances	0	1	3	39	2	45	4.00%
Total Financial Assets	0	1	3	39	19 586	19 629	
Financial Liabilities							
Deposits Held	0	0	0	0	3 764	3 764	
Payables	0	0	0	0	1 301	1 301	
Borrowings and Advances	0	9	42	532	0	583	4.72%
Total Financial Liabilities	0	9	42	532	5 065	5 648	

23. FINANCIAL INSTRUMENTS (continued)

(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 Department of Trade, Business and Innovation has limited exposure to interest rate risk as agency financial assets and financial liabilities, with the exception of finance leases are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose the department to interest rate risk.

ii) Price Risk

The Department of Trade, Business and Innovation is not exposed to price risk as the department does not hold units in unit trusts.

iii) Currency Risk

The Department of Trade, Business and Innovation is not exposed to currency risk as the department 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 department 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 the Department of Trade, Business and Innovation's financial instruments is determined on the basis that the carrying amount of cash, deposits, advances, receivables and payables is a reasonable approximation of fair value.

The Department of Trade, Business and Innovation does not hold any derivative financial instruments or any financial assets and liabilities whose fair value is measured other than at amortised cost.

24. RELATED PARTIES

i) Related Parties

The Department of Trade, Business and Innovation 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, and influence the strategic direction of the department, directly or indirectly.
- spouses, children and dependants 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; and
- any entities controlled or jointly controlled by KMP's or the Portfolio Minister or controlled or jointly controlled by their close family members.

ii) Key Management Personnel (KMP)

Key management personnel of the Department of Trade, Business and Innovation are those persons having authority and responsibility for planning, directing and controlling the activities of the department. These include the Minister for Trade, Business and Innovation, the Chief Executive Officer and the 21 members of the executive management team. During the year, four KMP resigned and nine KMP transferred in or out as a consequence of Administrative Arrangements Order (AAO) issued on 12 September 2016. The department had fourteen KMP as at the reporting date 30 June 2017.

24. RELATED PARTIES (continued)

iii) Remuneration of Key Management Personnel

The details below exclude the salaries and other benefits of Minister for Trade, Business and Innovation as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The aggregate compensation of key management personnel of The Department of Trade, Business and Innovation is set out below:

	2017 '\$000
Short-term employee benefits ⁽¹⁾	3 026
Post-employee benefits	347
Other long-term employee benefits ⁽²⁾	0
Termination benefits	0
Total	3 373

(1) short-term employee benefits include salaries, paid recreation leave, and non-monetary benefits and associated fringe benefit tax.

(2) KMPs' long service leave entitlements are managed by Central Holding Authority. Following Northern Territory Government guidelines, KMPs' long service leave benefits have not been disclosed in the department's financial statements.

The number of KMP, whose total remuneration for the financial year fall within the following bands are:

	2017 Number of KMP
Nil - \$50,000	5
\$50,000 - \$100,000	4
\$100,000 - \$150,000	3
\$150,000 - \$200,000	1
\$200,000 - \$250,000	8
\$250,000 - \$300,000	0
\$300,000 - \$350,000	0
\$350,000 - \$400,000	0
\$400,000 - \$450,000	1
Total	22

24. RELATED PARTIES (continued)

iv) 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 and on-passed Commonwealth national partnership and specific purpose payments.

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

Related Party	Revenue from related parties 2017 \$000	Payments to related parties 2017 \$000	Amounts owed by related parties 2017 \$000	Amounts owed to related parties 2017 \$000
All NTG Government departments	1 145	16 946	132	289
Associates	0	0	0	0
Subsidiaries	0	0	0	0
Total	1 145	16 946	132	289

The departments' transactions with other government entities are not individually significant, with the exception of Vocational Education and Training funding paid to Batchelor Institute of Indigenous Tertiary Education.

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. Related party transactions of the former minister have not been assessed as the period served during the 2016-17 financial year is considered minor. All other related party transactions in excess of \$10,000 have been provided in the table below.

Transaction type	Transaction value for year ended 30 June 2017 \$000	Net receivable/ (payable) as at 30 June 2017 \$000	Commitments as at 30 June 2017 \$000
Sales of goods	0	0	0
Purchases of goods	0	0	0
Grants ^{1,2}	200	0	163
Services received	0	0	0
Total	200	0	163

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current year for bad or doubtful debts in respect of the amounts owed by related parties.

1. A not-for-profit association managed by a KMP's close family member received grant funding of \$200,000 during the year.

2. A not-for-profit community organisation managed by a KMP's close family member was granted an Immediate Work Grants voucher with a value of \$163,375, which is redeemable in 2017-18.

25. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) Contingent liabilities

The Department of Trade, Business and Innovation has entered into agreements which contain indemnity clauses. The contingent liabilities arising from these indemnities are unquantifiable, and the likelihood of occurrence is uncertain and therefore considered low. For all the events that would give rise to the liabilities, the department has comprehensive risk management procedures in place.

In relation to the reporting of contingent liabilities, the Treasurer has determined a materiality threshold of \$5 million.

Details of unquantifiable but material contingent liabilities as at 30 June 2017 resulting from indemnities granted by the department or the Territory are presented as follows:

North East Gas Interconnector Project

Contingent considerations in relation to the North East Gas Interconnector Project Development Agreement are considered unlikely and consequently no contingent liabilities have been disclosed at the reporting date. The Territory will continue to assess any risks under the arrangement and determine whether any future disclosure is required.

Darwin Luxury Hotel

A series of indemnities have been provided in support of the Darwin Luxury Hotel Development under the Luxury Hotel Transaction Documentation, however, the risks associated with the indemnities are considered low and therefore no reportable contingent liabilities at the reporting date.

(b) Contingent Assets

The Department of Trade, Business and Innovation had no contingent assets as at 30 June 2017 or 30 June 2016.

26. 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.

27. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the Financial Management Act, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance 1 July 2016 \$'000	Receipts \$'000	Payments \$'000	Closing Balance 30 June 2017 \$'000
Key Deposits Katherine Training Centre	5	0	5	0
Unclaimed Monies	66	0	66	0
Surveyor's Board	67	0	67	0
Electronic Gaming Machine Application Levy	3 626	0	3 626	0
	3 764	0	3 764	0

28. BUDGETARY INFORMATION

(a) Comprehensive Operating Statement

Comprehensive Operating Statement	2016-17	2016-17	Variance	Note
	Actual	Mid-Year Budget ⁽¹⁾		
	\$'000	\$'000		
INCOME				
Taxation Revenue	0	0	0	
Grants and Subsidies Revenue				
Current	777	0	777	1
Appropriation				
Output	151 977	143 602	8 375	2
Commonwealth	20 731	20 313	418	
Sales of Goods and Services	533	661	(128)	3
Goods and Services Received Free of Charge	4 269	3 638	631	4
Interest Income	2	2	0	
Gain/Loss on disposal of assets	0	0	0	
Other Income	1 634	0	1 634	5
TOTAL INCOME	179 923	168 216	11 707	
EXPENSES				
Employee Expenses	30 952	31 986	(1 034)	6
Administrative Expenses				
Purchases of Goods and Services	13 566	17 558	(3 992)	7
Repairs and Maintenance	90	680	(590)	8
Depreciation and Amortisation	1 334	616	718	4
Other Administrative Expenses	6 089	3 638	2 451	4,9
Grants and Subsidies Expenses				
Current	122 125	113 671	8 454	10
Capital	3 644	3 328	316	
Community service obligations	0	0	0	
Interest Expenses	0	0	0	
TOTAL EXPENSES	177 800	171 477	6 323	
NET SURPLUS/(DEFICIT)	2 123	(3 261)	5 384	
OTHER COMPREHENSIVE INCOME				
Changes in Accounting Policies	0	0	0	
Correction of Prior Period Errors	0	0	0	
Changes in Asset Revaluation	0	0	0	
TOTAL OTHER COMPREHENSIVE INCOME	0	0	0	
COMPREHENSIVE RESULT	2 123	(3 261)	5 384	

(1) As a result of Machinery of Government changes, budgeted amounts correspond to those presented in the 2016-17 Mid-Year Budget (November 2016), classified on a basis that is consistent with the presentation and classification adopted in the corresponding financial statements.

28. BUDGETARY INFORMATION (continued)

(a) Notes:

The following note descriptions relate to variances greater than 10 percent or \$0.5 million, or where multiple significant variances have occurred.

1. Grants and subsidies revenue is largely represented by the funding contribution received from multiple Northern Territory Government agencies for the National Disability Insurance Scheme program, the development of the strategic plan for the Aboriginal Land and Sea Economic Development Agency, and the continued operation of the NT Working Women's Centre, which were not included in the mid-year budget.
2. The increase of \$8.38 million in output appropriation mainly reflects the additional funding for Economic Stimulus programs.
3. Sales of goods and services revenue is below budget by \$0.13 million due to receiving lower than anticipated sponsorship revenue.
4. Goods and Services Received Free of Charge revenue and expenses, as well as depreciation and amortisation are higher than mid-year budget as the realignment of budget for Machinery of Government changes did not occur until after the mid-year budget round.
5. Other income mainly reflects funding recoveries resulting from under delivery of prior year training programs, which were not incorporated in the budget.
6. Below budget employee expenses resulted from a higher than expected vacancy rate throughout the year, and additional funding from Machinery of Government changes. The savings were redirected to various grant programs for delivery of government election commitments.
7. Purchases of goods and services are below budget by \$3.99 million predominantly as a result of the 'Ship Lift' and 'Luxury Hotel' projects. Due to the nature and complexity of these projects, it is difficult to predict exact timing of expenditure.
8. The \$0.59 million below budget cost in repairs and maintenance reflects the reduction in repair and maintenance requirements as a result of relocation to new and refurbished buildings.
9. The increase in other administrative expenses is partially explained by the variance of \$0.63 million in Goods and Services Received Free of Charge as detailed above, further variation relates to the asset revaluation write down (\$1.5 million) of buildings at the Desert People Centre in Central Australia, and doubtful debt expenses \$0.32 million.
10. Current grants have increased by \$8.45 million compared to the mid-year budget as the new Home Improvement Scheme was not reflected in the mid-year budget, timing of actual Economic Stimulus payments ahead of schedule, and delivery of government election commitments and priorities.

28. BUDGETARY INFORMATION (continued)

(b) Statement of Financial Position

Statement of Financial Position	2016-17 Actual	2016-17 Mid-Year Budget ⁽¹⁾	Variance	Note
	\$'000	\$'000	\$'000	
ASSETS				
Current Assets				
Cash and Deposits	12 741	8 432	4 309	1
Receivables	1 939	1 502	437	2
Advances and Investments	0	45	(45)	3
Prepayments	796	753	43	
Total Current Assets	15 476	10 732	4 744	
Non-Current Assets				
Property, Plant and Equipment	19 114	21 831	(2 717)	4
Heritage and Cultural Assets	8	8	0	
Total Non-Current Assets	19 122	21 839	(2 717)	
TOTAL ASSETS	34 598	32 571	2 027	
LIABILITIES				
Current Liabilities				
Deposits Held	0	3 764	(3 764)	5
Payables	1 152	1 303	(151)	6
Borrowings and Advances	0	0	0	
Provisions	4 049	4 061	(12)	8
Other Liabilities	136	0	136	7
Total Current Liabilities	5 337	9 128	(3 791)	
Non-Current Liabilities				
Borrowings and Advances	0	0	0	
Provisions	0	1 327	(1 327)	8
Total Non-Current Liabilities	0	1 327	(1 327)	
TOTAL LIABILITIES	5 337	10 455	(5 118)	
NET ASSETS	29 261	22 116	7 145	
EQUITY				
Capital	35 907	34 146	1 761	9
Accumulated Funds	(6 646)	(12 030)	5 384	10
TOTAL EQUITY	29 261	22 116	7 145	

(1) As a result of Machinery of Government changes, budgeted amounts correspond to those presented in the 2016-17 Mid-Year Budget (November 2016), classified on a basis that is consistent with the presentation and classification adopted in the corresponding financial statements.

28. BUDGETARY INFORMATION (continued)

(b) Notes:

The following note descriptions relate to variances greater than 10 percent or \$0.5 million, or where multiple significant variances have occurred.

1. The above budget cash and deposits balance at the end of the financial year is a result of the underspend in 'Ship Lift' and 'Luxury Hotel' projects, and the Commonwealth Government National Partnership funding received late in June 2017 which is committed to future years.
2. Receivables were over budget by \$0.44 million largely due to an increase in accrued GST refund.
3. The Advances balance has been reduced to nil as a result of providing an allowance for impairment following an assessment conducted at the end of the financial year.
4. Property, plant and equipment was \$2.72 million under budget as a result of a downward revaluation of buildings at the Desert People Centre in Central Australia and not proceeding with the proposed IT system project.
5. Deposits Held balance has been reduced to nil as a result of a transfer out of trust monies held by Licensing NT following the Machinery of Government changes.
6. The decrease in payables is due to a lower number of accruals required for the reporting period ended 30 June 2017.
7. Other liabilities relate to unearned revenue recognised for sponsorship revenue received in advance for various events being held in 2017-18.
8. Non-current provisions (annual leave) has been reclassified to current provisions to comply with the Australian Accounting Standards. Overall provisions reduced by \$1.34 million reflecting the reduction of 122 full time equivalent employees as a result of Machinery of Government changes.
9. The increase in capital is largely represented by the equity injection for the transfer out of employee provisions as part of the Machinery of Government changes.
10. The movement in accumulated funds reflects the improved operating result.

28. BUDGETARY INFORMATION (continued)

(c) Cash Flow Statement

Cash Flow Statement	2016-17 Actual	2016-17 Mid-Year Budget ⁽¹⁾	Variance	Note
	\$'000	\$'000	\$'000	
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Operating Receipts</i>				
Taxes Received	0	0	0	
Grants and Subsidies Received				
Current	777	0	777	1
Appropriation				
Output	151 977	143 602	8 375	2
Commonwealth	20 731	20 313	418	
Receipts from Sales of Goods and Services	9 697	661	9 036	3
Interest Received	2	2	0	
Total Operating Receipts	183 184	164 578	18 606	
<i>Operating Payments</i>				
Payments to Employees	(32 235)	(31 986)	(249)	
Payments for Goods and Services	(22 015)	(18 238)	(3 777)	4
Grants and Subsidies Paid				
Current	(122 125)	(113 671)	(8 454)	5
Capital	(3 644)	(3 328)	(316)	
Interest Paid	0	0	0	
Total Operating Payments	(180 019)	(167 223)	(12 796)	
Net cash from/(used in) Operating Activities	3 165	(2 645)	5 810	
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Investing Receipts</i>				
Repayment of Advances	4	0	4	
Total Investing Receipts	4	0	4	
<i>Investing Payments</i>				
Purchase of Assets	(210)	(964)	754	6
Advances and Investing Payments	(2)	0	(2)	
Total Investing Payments	(212)	(964)	752	
Net cash from/(used in) Investing Activities	(208)	(964)	756	
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Financing Receipts</i>				
Deposits Received	0	0	0	
Equity Injections				
Capital Appropriation	964	964	0	
Other Equity Injections	4 459	2 283	2 176	7
Total Financing Receipts	5 423	3 247	2 176	
<i>Financing Payments</i>				
Payment of Deposits Held	(3 764)	0	(3 764)	8
Finance Lease Payments	(583)	(583)	0	
Equity Withdrawals	(10 511)	(9 842)	(669)	9
Total Financing Payments	(14 858)	(10 425)	(4 433)	
Net cash from/(used in) Financing Activities	(9 435)	(7 178)	(2 257)	
Net increase/(decrease) in Cash Held	(6 478)	(10 787)	4 309	
Cash at Beginning of Financial Year	19 219	19 219	0	
CASH AT END OF FINANCIAL YEAR	12 741	8 432	4 309	

(1) As a result of Machinery of Government changes, budgeted amounts correspond to those presented in the 2016-17 Mid-Year Budget (November 2016), classified on a basis that is consistent with the presentation and classification adopted in the corresponding financial statements.

28. BUDGETARY INFORMATION (continued)

(c) Notes:

The following note descriptions relate to variances greater than 10 percent or \$0.5 million, or where multiple significant variances have occurred.

1. Grants and subsidies received is largely represented by the funding contribution from multiple Northern Territory Government agencies for the National Disability Insurance Scheme program, the development of the strategic plan for the Aboriginal Land and Sea Economic Development Agency, and the continued operation of the NT Working Women's Centre, which were not included in the mid-year budget.
2. The increase of \$8.38 million in output appropriation mainly reflects the additional funding for Economic Stimulus programs.
3. The increase of \$9.04 million in receipts from sales of goods and services is largely represented by unbudgeted GST refunds of \$7.6 million, further variation relates to a refund of prior year training funding as a result of under delivery.
4. Payments for goods and services were above budget by \$3.78 million reflecting GST on purchase of goods and services and grants paid which were not incorporated in the budget, offset by underspend on the 'Ship Lift' and 'Luxury Hotel' projects.
5. Current grants paid have increased by \$8.45 million compared to the mid-year budget as the new Home Improvement Scheme was not reflected in the mid-year budget, timing of actual Economic Stimulus payments ahead of schedule, and delivery of government election commitments and priorities.
6. Purchase of assets is \$0.75 million under budget due to not proceeding with the proposed IT system project as a result of Machinery of Government changes, offset by additional purchases of office equipment.
7. The increase in equity injections reflects the transfer out of employee provisions as part of the Machinery of Government changes, which were not incorporated in the budget.
8. Payment of Deposits Held \$3.76 million was a result of the transfer out of trust monies held by Licensing NT following the Machinery of Government changes.
9. The increase in equity withdrawals reflects the transfer in of employee provisions as part of the Machinery of Government changes, which were not incorporated in the budget.

Appendix H

Department contact details

Darwin

GPO BOX 3200
Darwin NT 0801
Telephone: (08) 8982 1700
General Contact: businessinfo@nt.gov.au
Chief Executive Officer: ceo.dob@nt.gov.au

Territory Business Centres

Email: territory.businesscentre@nt.gov.au
Phone: 1800 193 111

Darwin

Building 3, Darwin Corporate Park
631 Stuart Highway
Berrimah

Alice Springs

Ground Floor, The Green Well Building
50 Bath Street
Alice Springs

Katherine

Shop 1, Randazzo Building
18 Katherine Terrace
Katherine

Tennant Creek

Shop 2, Barkly House
Corner Davidson and Patterson Streets
Tennant Creek

Other Contacts

Division	Phone	Email
Business and Innovation NT	(08) 8999 5479	businessinfo@nt.gov.au
Workforce NT	(08) 8935 7707	training.nt@nt.gov.au
Northern Australia Development and Trade	(08) 8999 6022	nado@nt.gov.au
Office of Asian Engagement, Trade and Investment	(08) 8946 9555	investment@nt.gov.au
Northern Australia Development Office	1800 733 458	nado@nt.gov.au
StudyNT	(08) 8999 6399	StudyNT@nt.gov.au
DefenceNT	(08) 8999 3873	DefenceNT@nt.gov.au
Procurement NT	(08) 8999 5212	procurement.liaison@nt.gov.au
Strategic Infrastructure and Projects	(08) 8999 6167	sip@nt.gov.au
Strategic Services	(08) 8999 1829	DTBI@nt.gov.au
Executive	(08) 8999 7324	oceo.DTBI@nt.gov.au

Appendix I

Information Act

In complying with section 11 of the Information Act, the agency makes its information available in several ways. The agency's website contains information describing our organisational structure and functions and how these functions affect the community. All policies and procedures are designed to assist people to access information and to meet requests for corrections to existing personal information.

Details on how to apply for access to information in line with part 3 of the Act are available on the agency's website. Details on how to access information not on the agency's website is also available online. Further assistance can be provided by contacting:

Information Officer

Department of Trade, Business and Innovation
GPO Box 3200
DARWIN NT 0801
Email: Centralrecords.DTBI@nt.gov.au

The Director Information and Business Systems is the decision maker in relation to all Freedom of Information (FOI) applications.

In 2016-17, 19 FOI requests were received and actioned:

- five related to Strategic Infrastructure and Projects
- one related to Procurement NT
- one related to overseas travel
- one related to the Home Improvement Scheme
- one where the department was consulted as a third party
- two were transferred to another department
- two were transferred to this department from another department
- three were internal reviews
- three related to NT WorkSafe.

Appendix J

Feedback

We value your feedback and input. You can contact us with anything from procurement queries to new ways to support and grow Territory businesses and the Territory economy. We would also appreciate your input on how we can better report activities to you.

You can provide feedback online at: <https://business.nt.gov.au/contact/website-feedback-form>