OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

Annual Report 2015–16





OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

ANNUAL REPORT 2015-16

Purpose of the Report

The 2015-16 Office of the Commissioner for Public Employment Annual Report highlights achievements during 2015-16 against the 2014-2017 OCPE Strategic Plan and the key deliverables outlined in Budget Paper Number 3, 2015-16.

This report has been prepared to meet the requirements of section 28 of the *Public Sector Employment and Management Act*, section 12 of the *Financial Management Act* and other statutory agency reporting requirements. It provides the Minister, the Northern Territory Legislative Assembly and other interested parties with information about:

- Our primary functions and responsibilities
- Significant activities and achievements for the year
- Our fiscal management and performance.

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

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Enquiries should be made to:

LETTER TO THE MINISTER

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

Dear Minister McCarthy

RE: THE OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT 2015-16 ANNUAL REPORT

In accordance with the provisions of the *Public Sector Employment and Management Act*, I submit the 2015-16 Annual Report on the activities and achievements of the Office of the Commissioner for Public Employment for the year ending 30 June 2016.

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

- (a) Proper records of all transactions affecting the Office of the Commissioner for Public Employment are kept and all employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and the Treasurer's Directions.
- (b) Procedures within the Office of the Commissioner for Public Employment afford proper internal control, and these procedures are recorded in the Accounting and Property Manual, which has been prepared in accordance with the requirements of the *Financial Management Act*.
- (c) There is no indication of fraud, malpractice, major breach of legislation or delegation, major error in, or omission from, the accounts and records.
- (d) In accordance with section 15 of the *Financial Management Act*, the internal audit capacity available to the Office of the Commissioner for Public Employment is adequate.
- (e) The financial statements included in the Annual Report have been prepared from proper accounts and records and in accordance with the Treasurer's Directions.
- (f) All public sector principles, contained in section 5 of the *Public Sector Employment and Management Act,* have been upheld by the Office of the Commissioner for Public Employment during the financial year.
- (g) All Employment Instructions issued by the Commissioner for Public Employment have been satisfied.
- (h) In respect of my responsibilities pursuant to section 131 of the *Information Act*, I advise that to the best of my knowledge and belief, processes have been implemented to achieve compliance with the archives and records management provisions as prescribed in Part 9 of the *Information Act*.
- (i) Obligations under the Carers Recognition Act and NT Carers Charter have been satisfied.

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

Yours sincerely

all

Craig Allen Commissioner for Public Employment

30 September 2016

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ACRONYMS AND ABBREVIATIONS

AHRI	Australian Human Resource	HR	Human Resources
AILC	Institute Australian Indigenous Leadership	ICT	Information and Communications Technology
	Centre	IECD	Indigenous Employment and
ANZSOG	Australia and New Zealand School of Government		Career Development Division (of OCPE)
ARMC	Audit and Risk Management Committee	IECDS	Indigenous Employment and Career Development Strategy
ATSI	Aboriginal and Torres Strait Islander	ILO	International Labour Organisation
		IR	Industrial Relations
CEO	Chief Executive Officer	JES	Mercer Job Evaluation System
CLF	Capability and Leadership Framework	NGO	Non-Government Organisation
CPE	Commissioner for Public Employment	NTG	Northern Territory Government
		NTPS	Northern Territory Public Sector
DCIS	Department of Corporate and Information Services	OCPE	Office of the Commissioner for Public Employment
DCM	Department of the Chief Minister	OHS	Occupational Health and Safety
DEEWR	Department of Education, Employment and Workplace	PIPS	Personnel Information and Payroll System
	Relations	PSA Board	Public Sector Appeals Board
DEP	Disability Employment Program	PSA&GR	Public Sector Appeals & Grievance
ECO	Executive Contract Officer		Reviews Division (of OCPE)
ER	Employee Relations Division	PSCC	Public Sector Consultative Council
	(of OCPE)	PSEMA	Public Sector Employment and
ERRP	Executive Remuneration Review Panel		Management Act
FWC	Fair Work Commission	PSMP	Public Sector Management Program
FLN	Future Leaders' Network	SWPD	Strategic Workforce Planning and
FTE	Full Time Equivalent		Development Division (of OCPE)
GSA	Government Skills Australia	WHS	Work Health and Safety
HP TRIM	Total Records and Information		

Management

COMMISSIONER'S FOREWORD

Welcome to the Office of the Commissioner for Public Employment (OCPE) Annual Report for the 2015-16 reporting period. The report has two purposes:

- To fulfil the Commissioner for Public Employment's responsibility (as the agency Chief Executive Officer) under Section 28 of Public Sector Employment and Management Act (PSEMA) to report to the Minister for Public Employment on the operations of the OCPE for 2015-16
- To provide an account of the OCPE's achievements for 2015-16, and to outline priorities for 2016-17.

The report includes an overview of the OCPE, its purpose, priorities, performance and people. The structure of the performance reporting section is aligned with the outputs from the 2015-16 NT Budget Paper Number 3.

This has been a successful year for delivering on initiatives commenced in the previous year. OCPE has continued to focus on increasing the number of Indigenous employees in the NTPS as well as developing strategies to increase opportunities for employment for people with disability. In addition, the roll out of simplified recruitment has seen the average recruitment time reduced by in more than 50% with a corresponding decrease in recruitment and selection appeals. In excess of almost 6000 public servants have been trained in recruitment and selection. The new process has attracted attention nationally.

This year also saw the delivery of a sector wide survey with an outstanding 42% response rate which will help to inform better pathways for professional development and to ensure the implementation of the core Public Sector Values. This follows on from the previous survey and agency response plans being established to address issues raised by employees. The Future Leaders' Network has been consolidated and a number of informative presentations have been delivered to Chief Executives and senior staff. The NTPS Human Capital Plan 2015-20 has been released and is being considered by agencies when looking at their workforce planning needs.

As an outcome of the Chief Minister's initiatives related to the public sector, a panel of private health providers was established to enable NTPS employees access to discounted private health for themselves and their families. Another initiative, "My Development," was launched which is designed to build skills in the AO1-AO5 (and equivalent) classifications.

During 2015-16 new enterprise agreements were negotiated for Jacana Energy, Territory Generation and Power and Water Corporation.

The OCPE continued to monitor, support and provide advice and assistance to agencies managing change as a result of restructuring impacting on employees.

The NTPS continues to have excellent representation of women in leadership positions, with 49% of senior management positions being occupied by women. The NT continues to lead all other jurisdictions in this area.

As a result of the work of the Indigenous Employment and Career Development Division assisted by 11 agencies implementing Special Measures the number of Indigenous Employees reached a milestone 10% of the NTPS workforce. This has been an outstanding effort, is the best in the country and sets up a realistic pathway to achieve the 2020 target of 16%. Additionally the Government has approved an additional \$1.35 million over four years to develop new strategies to ensure the public service is not only able to attract indigenous employees but also retain them.

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

I would also like to take this opportunity to thank the staff at OCPE for supporting me in my role and for the dedication, commitment, and professionalism they have brought to their roles within OCPE. 2015-16 has been a particularly challenging and busy year with all Divisions delivering a range of programs.

In closing, I would also like to acknowledge the key stakeholders with which we work including agency Chief Executive Officers, human resource staff, unions, Fair Work Commission and the Minister for Public Employment and his staff.

Craig Allen *Commissioner for Public Employment* 30 September 2016

ABOUT THE OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

FUNCTIONS OF THE COMMISSIONER

Overview

The Office of the Commissioner for Public Employment (OCPE) is a central agency within the NTPS and is responsible for public sector workforce management and development, and industrial relations. Under section 12 of Public Sector Employment and Management Act (PSEMA), the Commissioner for Public Employment (CPE) is deemed to be the employer of all employees in the NTPS and the OCPE supports the CPE's statutory employer role.

One of the CPE's principal functions is to provide leadership to the OCPE and its staff and to promote the development and observance of the highest possible standards of human resource management practices in agencies. The CPE is also required to provide strategic and policy advice to support the Minister for Public Employment in undertaking duties under PSEMA.

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

- To determine the respective designations and other terms and conditions (including the remuneration) of employment for employees
- To promote the upholding of the public sector principles
- To determine practices and procedures relating to the recruitment and employment of persons as employees, the promotion of employees and the employment, transfer, secondment, redeployment, discipline and termination of employment of employees and any other matters relating to human resource management
- To consult with and advise CEOs in relation to the development and application of appropriate human resource practices and procedures in their agencies

- To consult with CEOs in relation to the application of public employment policies in their agencies
- To advise the Minister on, and monitor the implementation of, public employment policies
- To develop uniform systems, standards and procedures for the determination of designations and the allocation of designations to employees in their agencies and assist CEOs in the application of those systems, standards and procedures
- To assist as appropriate CEOs in evaluating the performance of employees employed in their agencies
- To coordinate training, education and development programs in conjunction with CEOs
- To conduct, or cause to be conducted inquiries and investigations into, and reviews of, the management practices of agencies
- To consult with CEOs on the development of appropriate standards and programs of occupational health and safety
- To assist as appropriate CEOs in the performance of their functions relating to the management of their agencies
- Such other functions as are imposed on him or her by or under this or any other Act, or as directed by the Minister.



Administrative Arrangements Order

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

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

Legislation

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

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

The OCPE also has responsibility for the following Regulations:

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

Key External Influences

Key external influences that affect the operations of OCPE are:

• Community expectations and Government policy on employment and workforce development initiatives – to acquit the Government's responsibility as the largest employer in the Northern Territory

- Australian Government industrial relations system and reform agenda – as the Northern Territory Self Government Act did not establish a Northern Territory industrial relations system, the Northern Territory's industrial relations (public and private sectors) are covered by the Australian Government system
- Changing community and workforce demographics, particularly in relation to the ageing workforce
- Union activity, particularly in relation to the negotiation of workplace agreements.

Outputs and Performance

The OCPE has two Output Groups: Employment Services, and Corporate and Governance.

Employment Services Output Group

The Outcome for the Employment Services Output Group is:

• A skilled, fair, and creative public sector that provides the highest quality service to the Government and Territorians.

The Employment Services Output Group has three Outputs:

- Employee and Industrial Relations
- Workforce Planning and Development
- Promotion, Disciplinary and Inability Appeals and Grievance Reviews.

Employee and Industrial Relations

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

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

Workforce Planning and Development

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

It also develops and promotes initiatives and professional development, and supports agencies to increase Indigenous employment at all levels across the NTPS.

Promotion, Disciplinary and Inability Appeals and Grievance Reviews

Promotion, Disciplinary and Inability Appeals and Grievance Reviews (PSA&GR) conducts promotion, disciplinary and inability appeals pursuant to the PSEMA. PSA&GR provides employees with an independent review of agency actions and decisions through the grievance review process. It also provides agencies with strategic advice, assistance, education and a review function in relation to Special Measures recruitment; and develops and implements uniform NTPS recruitment and selection policy and procedures, including the provision of strategic advice, training and education on merit selection.

Corporate and Governance Output Group

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

• Undertake a range of functions to serve the OCPE's core corporate and governance needs.

The Corporate and Governance Output Group has two Outputs:

- Corporate and Governance
- Shared Services Received.

Corporate and Governance

The Corporate and Governance Output provides a range of corporate and governance services to support the OCPE's functions, including governance, financial services, human resource management, information and communication technology, audit and risk services, and communications and media.

Shared Services Received

The Shared Services Received Output provides shared corporate and governance services received from the Department of the Chief Minister.

Priorities for 2016-17

- Negotiating and implementing Northern Territory Public Sector (NTPS) enterprise agreements in line with the NTPS Wages Policy.
- Implementing the NTPS Indigenous Employment and Career Development Strategy 2015-20.
- Undertaking the 2016 NTPS People Matter staff survey.
- Promoting the implementation of Special Measures for Aboriginal and Torres Strait Islander recruitment plans for all vacancies across all NTPS agencies, including the provision of advice, assistance, education and a review function.
- Promoting and supporting uniform NTPS recruitment and selection policy and procedures, including the provision of training and education on merit selection.
- Promoting and supporting workforce performance monitoring and workforce planning across the NTPS.
- Facilitating and promoting professional development opportunities to build capability across the NTPS, with a focus on leadership development, public sector governance and managing performance and productivity.
- Promoting and supporting best practice employment governance.

OCPE STRATEGIC PLAN 2014-2017

Vision

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

Purpose

Our purpose is to lead and enable the development of a client focussed responsive workforce and to facilitate harmonious and productive workplace relations across the public sector.





Values

Commitment to service

The NTPS is professional, hardworking, effective, innovative, and working collaboratively to achieve the best results for the Northern Territory.

Ethical practice

The NTPS upholds the highest standards of practice and acts with integrity in all that it does.

Respect

The NTPS respects all people, and in particular their rights as individuals.

Accountability

The NTPS is transparent and accountable in all its actions.

Impartiality

The NTPS is apolitical and provides the Government with advice that is objective, timely and based on the best available evidence.

Diversity

The NTPS values the diversity of its workforce as well as the NT population it serves.

Prosperous Economy	and Confident Culture

STRATEGIC PRIORITIES	GOALS
Position the NTPS as a model employer and employer of choice	 Promote and support equity and diversity in employment across the NTPS with a strong focus on Indigenous employment
	 Negotiate and implement enterprise agreements in line with NTPS wages policy
	• Develop and manage executive employment parameters
	• Promote and support management best practice of employment governance
	 Adhere to the principles of the 'model litigant' in industrial matters and disputes
	• Promote and support reward and recognition in the NTPS

Prosperous Economy and Confident Culture		
STRATEGIC PRIORITIES	GOALS	
Promote and support the implementation of public sector principles	 Support agencies implementing significant change management and in the resolution of disputes in a fair and equitable manner 	
	 Promote JES processes and improve application 	
	 Foster a culture of respect and encourage the elimination of inappropriate workplace behaviours 	
	• Strengthen the understanding and application of the merit principle across the NTPS to ensure that selection processes within the NTPS are fair, consistent and transparent	
	 Promote and support equity and diversity in employment across the NTPS 	
	 Promote and support reward and recognition in the NTPS 	
Develop public sector performance and capacity	 Promote and support workforce planning across the NTPS 	
	• Develop, promote and monitor agency-specific and sector-wide HR performance review mechanisms	
	Build leadership capacity across the NTPS	
	 Build performance management capacity and monitoring across the NTPS 	
	 Build Human Resource Management (HRM) & Development (D) & Industrial Relations (IR) capacity across the NTPS 	
	 Promote training and development opportunities across the NTPS 	
	• Ensure fair and equitable mechanisms for the handling of public sector employees' grievances and appeals	
	Manage corporate responsibilities	

PERFORMANCE REPORTING

KEY ACHIEVEMENTS FOR 2015-16

The key achievements for 2015-16 included:

- New enterprise agreements were negotiated for Jacana Energy, Territory Generation and Power and Water Corporation.
- HR/IR Internship programs at OCPE were implemented in collaboration with all OCPE divisions.
- Indigenous employment reached 10% as at June 2016.
- Developed the ATSI Employment Aspirations Pilot Program.
- Launched the NTPS Human Capital Plan 2015-2020.
- Launched 'My Development', a key workforce capability development initiative to build skills in the AO1-AO5 (and equivalent) classifications.
- Achieved a 42% response rate for the 2016 People Matter Survey, which is a 4% increase from 2014's response rate. This is the highest response for a public sector staff survey across Australian jurisdictions.
- Revised the governing policy for the Disability Employment Program, reinvigorating the focus on the provision of meaningful work and developing the work skills and capabilities of participants. This initiative was short-listed for a Chief Minister's Award for Public Sector Excellence in 2015.
- Over 180 long-serving NTPS employees participated in a new sector-wide Recognition of Service initiative, with events hosted by the Minister for Public Employment and the Chief Minister.

- Achieved a 43.5% increase in participant numbers for OCPE's leadership and capability programs, from 390 in 2014-15 to 560 in 2015-16.
- Negotiated and delivered a customised ANZSOG program for mid-level executives, 'Advancing Leadership', making the highest quality professional development available anywhere in Australia accessible and affordable for NTPS agencies.
- Twenty women graduated from the Lookrukin Indigenous Women's Leadership program.
- Developed and implemented several new employee wellbeing initiatives, including the launch of a Discounted Health Insurance initiative for NTPS employees.
- Improved connectivity between HR practitioners across the Northern Territory so that practitioners from Alice Springs video-conferenced into HR Forums that were held in Darwin.
- Coordinated and hosted the Bruneian Internship to the Northern Territory Government: a Public Sector Awareness Initiative of the Australian, Northern Territory and Bruneian Governments.



EMPLOYMENT SERVICES OUTPUT GROUP

EMPLOYEE AND INDUSTRIAL RELATIONS

Overview

Employee Relations (ER) is responsible for developing and managing employment policies and ensuring NTPS employees have appropriate remuneration and employment conditions. It also helps ensure merit, equity, fairness and all legislative requirements are observed in managing NTPS employees; provides strategic public and private sector industrial relations advice; and administers the Northern Territory's *Long Service Leave Act and Public Holidays Act.*

Strategic priorities over the reporting period included:

- Negotiating and implementing enterprise agreements in line with the wages policy
- Assisting and supporting agencies undergoing significant change and reform
- Supporting management best practice of employment governance
- Building HR and IR capacity across the sector.

Other specific responsibilities include:

- Public sector and private sector industrial relations policy development and management
- Public sector human resource management policy development
- Industrial relations and employee relations advice
- Executive contract of employment arrangements
- NTG input to ILO matters
- Representation of the NTG on national industrial relations committees and providing advice about industrial relations legislative developments
- Workforce statistics and analysis
- Central management and policy development for NTPS redeployment and redundancy

- JES management
- Secretariat services to the Correctional Officers' Arbitral Tribunal and the Police Arbitral Tribunal, and administration of the *Police Administration Act (Part III)* and
- Labour inspectorate in relation to the *Long Service Leave Act* and *Public Holidays Act*.

Negotiating and Implementing Enterprise Agreements in Line with the Wages Policy

The enterprise agreements made during 2015-16 cover Jacana Energy, Territory Generation, and Power and Water Corporation. Bargaining processes for fire fighters were ongoing at the end of reporting period.

All enterprise agreement negotiations in the NTPS are made under the *Fair Work Act 2009* (federal legislation) and underpinned by the NTPS Wages Policy 2013-2016. The policy is an important component in Government's fiscal strategy to bring expenditure under control. The objectives of the policy are to:

- Ensure costs arising from bargaining outcomes are kept within fiscal parameters
- Deliver increased efficiency, effectiveness, savings, service outcomes and workplace reform across agencies
- Deliver fair wage increases.

Managing the Job Evaluation System

The Mercer Job Evaluation System (JES) is the main methodology used to determine the designation level of jobs across the majority of classification streams in the NTPS i.e. administrative, professional, technical, nursing, teaching etc. The designation level of jobs in classification streams not subject to the JES, such as physical roles, classroom teachers, etc, are determined by competency requirements or other arrangements established under the relevant enterprise agreement.

Each year Mercer, the proprietary owners of the JES, undertake an audit to ensure the system integrity is being maintained and to determine if administrative improvements can be made to the way in which the JES is managed in the NTPS. In 2016, resulting from Mercer recommendations and previous NTPS reviews of the system, Employee Relations is developing a framework (policy and procedures) to improve the governance of JES practices across the NTPS, including reviewing the practice of conducting evaluations and use of evaluators. The objectives of the review are to strengthen the governance requirements and to develop evaluator competence and engagement in the process.

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

ER provided advice to the NTG for input to the Australian Government on a number of proposed amendments to *Fair Work Act* legislation, including union right of entry, and a range of technical amendments. In June 2016, a full bench of the Fair Work Commission (FWC) decided to make a modern enterprise award for the NTPS. The making of a modern award has been a collaborative project between OCPE and the relevant unions. The second half of the financial year was a period of intense activity to bring the project to completion. In conjunction with the national employment standards, the modern enterprise award provides the safety net of terms and conditions of employment that underpin enterprise bargaining in the NTPS.

Strategic Public Sector Human Resource Management Policy Development

The Public Sector Consultative Council (PSCC) is an important joint union and management body established under PSEMA and chaired by the CPE. The PSCC met twice during the reporting period. Matters considered included:

- Redeployees and voluntary redundancy in the NTPS
- 2014 People Matter Survey whole sector report
- NTPS wide policies
- By-law Review
- Recruitment Process
- Department of Children and Families Allowance
- Remote Locality Determination
- Health and Safety Representatives (NTPS)
- 2014-15 State of the Service Report
- Relocation costs NTPS wide
- NTPS employees and Federal/NT elections
- Payroll and shift workers.

NTPS Employment Framework

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

PSEMA requires all vacancies exceeding six months to be advertised on the Careers in Government – Employment Opportunities Online website, unless otherwise approved by the CPE. In seeking the CPE's approval to select a person without advertising, agencies must demonstrate that the merit principle has been met. During the reporting period, the OCPE received 24 requests (covering 29 employees) to select without advertising. Of these, 20 of the requests were approved (for 25 employees), 1 request was declined, 2 requests withdrawn and 1 request under consideration.

These requests generally sought to:

- Appoint on an ongoing basis temporary employees who had been awaiting approval of applications for permanent residence in Australia at the time of their original offer of appointment
- Offer appointments to skilled specialists for hard to recruit positions
- Appoint employees on an ongoing basis where the position was previously only for a fixed period due to funding arrangements
- Appoint employees on an ongoing basis as a result of substantial change or restructure (affecting the majority).

The CPE also has the power to determine terms and conditions of employment for individuals or classes of employees across the NTPS. Determinations issued during the reporting period generally related to:

- Allowances (skills, market, responsibility) for individual employees and groups of employees
- Additional overtime provisions
- Appointment to salary above base level.

Industrial Relations and Employee Relations Advice

A key role of ER is to provide specialist human resource and industrial relations consultancy services to agencies, employees, and members of the public. Advice over the reporting period covered:

- Interpretation of employment conditions and arrangements
- Application of employment condition provisions
- Policy and operational matters regarding consultation and change management, filling of vacancies resulting from substantial change, and redeployment processes
- Inability, discipline, and probation matters
- Terminations
- Job evaluation
- Public holidays and long service leave enquiries under the *Public Holidays Act* and *Long Service Leave Act*
- Processes and legal requirements for enterprise bargaining.

ER appeared before industrial tribunals on behalf of the Commissioner who is the statutory employer of all NTPS employees, in a number of matters as set out below.

During the reporting year, ER assisted agencies in the resolution of a range of industrial matters, including:

- General protections matters (2)
- Modern enterprise award application (1)
- Disputes over the application of enterprise agreements (5)
- Unfair dismissals (3)
- Application for orders to stop bullying (3)
- Correctional Officers Arbitral Tribunal matter (1).

Further, ER provided the Fair Work Ombudsman's office with assistance in an employment related inquiry.

During the reporting year, ER assisted agencies in the resolution of a range of industrial matters, including:

- Unfair dismissals
- General workplace protections
- Management of change
- Industrial tribunal disputes
- Transfer of business and outsourcing.

Executive Contract of Employment Arrangements

Senior Executives and CEOs in the NTPS are employed under Executive Contracts of Employment, classified as Executive Contract Officers (ECOs).

ECOs are employed under renewable contracts for periods of up to four years, with remuneration packages inclusive of superannuation and motor vehicles benefits. The use of contracts for ECOs provides flexibility in both employment and remuneration arrangements, with a focus on performance and accountability through formal annual performance reviews.

ER provides advice to agencies and ECOs on executive contract administration, and supports and makes recommendations to ERRP in performing its functions of determining ECO and CEO provisions.

In August 2015 ECO motor vehicle contribution rates were increased to better reflect notional private usage rates applied across other jurisdictions, based on the whole of life vehicle costs across each ECO level.

NTG Input to the International Labour Organisation

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

During 2015-16 two requests were received from the Department of Employment, one relating to Article 19 of the ILO Constitution Reports in relation to law and practice relating to those conventions that Australia had not ratified in July 2015, and the other relating to Article 22 of the ILO Constitution Reports relating to those conventions that Australia had ratified in April 2015. Both requests were completed in the reporting period.

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

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

- National Industrial Relations Public Sector (Directors) group
- Senior Officials Group, which provides advice and support to the Select Council on Workplace Relations (Meeting of Jurisdictions Ministers)

Matters dealt with during the reporting period included amendments to the *Fair Work Act* and the protocols for consultation with the states and territories under the Intergovernmental Agreement for a National Workplace Relation System.

Workforce Statistics and Analysis

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

- Reports to government on NTPS employee levels and employee demographics, including overall and in agencies
- Provision of ongoing employee and salary data to Department of Treasury and Finance (DTF) to assist in the formulation and monitoring of Budget employee targets
- Provision of HR analysis to SWPD in OCPE as required to support and monitor a variety of SWPD's strategic initiatives. This includes the development, jointly with DCIS, of a sector wide suite of workforce metrics, for use by both OCPE and agencies to assist in workforce planning and the monitoring of employee profiles
- A range of other workforce data analysis and statistical advice, both in house and to agencies, to inform policy development.

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

Central Management and Policy Development for NTPS Redeployment and Redundancy

OCPE is responsible for the central management of the redeployment framework in the NTPS, including managing the centralised redeployment database and reviewing agency submissions regarding surplus employees.

Redeployees can register their status on the OCPE Redeployment Database, which is then used to notify agencies of an employee's redeployment status, and enables redeployees to view available vacancies before the vacancies are posted to the NTG Job Vacancies website. Agency allocated case managers are responsible for assisting redeployees to find suitable alternative ongoing positions within the NTPS, and redeployees are individually responsible for registering their details on the database.

At the end of the reporting period a total of 26 redeployees were registered on the OCPE Database, eight (8) redeployees were placed in suitable alternative positions, and 28 employees accepted offers of voluntary retrenchment.

There were no involuntary redundancies.

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

ER provides secretariat services to the Police Arbitral Tribunal and Correctional Officers' Arbitral Tribunal. The Tribunals carry out functions similar to the FWC but under specific NT legislation such as the *Police Administration Act* and *Correctional Officers (Arbitral Tribunal) Act*.

During the 2015-16 reporting period there were no changes to membership of either Tribunals, however the appointment of two members of the Correctional Officers' Arbitral Tribunal was extended for a further three year term.

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

ER is responsible for administering the *Long Service Leave Act (NT)* and *Public Holidays Act (NT)*.

In the Northern Territory, employees are covered by the *Long Service Leave Act* if their relevant industrial instrument (i.e. award, enterprise agreement or contract of employment) does not make provision for long service leave, or their industrial instrument references the Act. This Act does not apply to NTPS or Australian Government employees, or construction workers who are registered under the NT Build portable long service leave scheme.

Officers in ER are authorised by the Minister under the *Long Service Leave Act* to undertake investigations to ensure the Act is being complied with. During 2015-16, ten complaint forms were lodged with ER seeking assistance to determine if an employee was entitled to long service leave. The majority of enquiries under this Act relate to an employee's eligibility to be paid their long service leave credit paid in lieu before an employee has completed ten years continuous service.

The Public Holidays Act (NT) specifies the public holidays that will be observed in the Northern Territory and provides the ability for the Minister to declare additional and/or substitute public holidays. In the Northern Territory, this power is used to declare the regional show day public holidays. The majority of enquiries under this Act relate to when a public holiday will occur, and whether the payment of public holiday entitlements to employees who work during regional public holidays would apply.

Priorities for 2016-17

The priorities for 2016-17 include:

- Reviewing the NTPS Wages Policy 2013-2016
- Developing bargaining parameters for negotiations of replacement agreements due in 2017
- Reviewing the ECO terms and conditions instrument
- Developing and finalising the NTPS modern award
- Supporting agencies that are implementing restructuring and major change
- Providing agencies with consultancy advice regarding workplace efficiencies and employer best practice
- Contributing to the development of HR and IR capability across the NTPS
- Analysing and responding to any federal workplace relations law changes
- reviewing the JES process to ensure it is accurate and efficient.

WORKFORCE PLANNING AND DEVELOPMENT

Overview

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

- Whole sector strategic human capital/ workforce planning, monitoring and reporting, and policy development to address key workforce issues such as the ageing workforce
- Workforce development including early career programs, building capability through on-the-job training, and talent management
- Delivery of capability development programs including leadership and other core corporate competencies (policy development, human resource management, performance management, and foundational public sector governance knowledge)
- Promotion of equity and diversity in the NTPS with a focus on increasing employment and career development opportunities for people from under-represented EEO groups
- Reward and recognition initiatives
- Strategic workforce advice to meet the needs of NTPS agencies.

SWPD surveyed agencies to determine the level of satisfaction with the services provided over the reporting period. The results were positive and indicated that HR Divisions were generally satisfied with the overall level of access and availability of SWPD staff, as well as the advice provided and the timeframes in which services were provided. In addition, agencies were satisfied with the level of communication when rolling out major initiatives such as the People Matter staff survey, OCPE training and development programs and the My Development initiative.

Strategic Workforce Planning

Human Capital Planning

The NTPS Human Capital Plan was launched by OCPE in 2015 with actionable strategies to address current and future workforce challenges. The Plan, with a robust but flexible Human Capital Framework at its core, provides the foundation for strategic workforce planning across the sector.

The Plan focuses on key initiatives for sector-wide implementation to respond to the high-level trends and developments that will affect our ability to deliver against the strategic priorities set by government.

Key actions under the Plan include:

- Development of a Transition to Retirement policy. The Policy will set the stage for managing the challenges and opportunities of our ageing workforce over the coming decade. A discussion paper is being prepared, with full policy development to be completed in 2016-17
- Implementation of a Future Leaders' Network to build executive and leadership capability for the future. The network is presently comprised of 47 high performing employees aged 30 years or less, undertaking a syllabus of professional development workshops and programs that align with leadership and other core capability needs of the NTPS
- Implementation of the 'My Development' initiative. My Development is a commitment from Government that ensures all NTPS employees in the AO1 - AO5 (and equivalent) levels are able to access at least one week of on-the-job learning aimed at developing their skills for future career opportunities. This initiative was launched March 2016 and has been implemented in agencies

- Delivery of a range of leadership and other core capability programs across the sector
- The development of an annual human capital forum to build the skills and capability of HR practitioners across the sector.

Since the development of the Human Capital Plan the need for a human capital planning governance framework has become more pronounced and will be a focus for the coming year.

NTPS People Matter Survey

Since its introduction in 2009, the biennial NTPS employee survey has played a central role in shaping conversations between OCPE and NTPS agencies and employees.

OCPE made significant improvements to the staff survey process including:

- Reviewed the existing NTPS survey instrument, concluding that a number of revisions would be necessary to, firstly, keep pace with an emerging trend towards inter-jurisdictional comparability of survey data and, secondly, to broaden the conversation to better explore issues of significance to the sector, its agencies and our employees
- Partnered with the Victorian Public Sector Commission (VPSC), and adopted the VPSC's analytical methodology and survey instrument

 People Matter
- Ensured the collection of a repeatable, high quality and useful data-set
- Changed the focus from a strictly compliance based to compliance and employee engagement based survey.

People Matter has achieved impressive results so far including:

- 2014 was the first time survey results and actions taken to address results were made explicit through the development of a whole of sector and agency specific response plans
- Response plans ensure that NTPS leaders follow up and address issues identified through the survey
- The 2016 People Matter survey was delivered to over 20,000 NTPS employees in May/June 2016, including current casual employees, and employees based in remote and regional locations
- The 2016 response rate was approximately 42%. This is a 4% increase on the 2014 survey, and the best result nationally for a public sector staff survey.

Importantly, OCPE has implemented strategies that ensure survey results are communicated and responded to at both the whole sector and agency specific levels. This makes it clear to employees that their views and work experiences are important, taken seriously, and integral to improving the operations of the NTPS.

A whole of sector report and response plan from the results of the 2014 People Matter survey was published in 2015. Results from the 2016 People Matter survey will be available later in the year and will be used as a basis of comparison to previous surveys. These results will continue to shape the ongoing program, policy and procedural improvements delivered under OCPE's remit.

Ageing Workforce

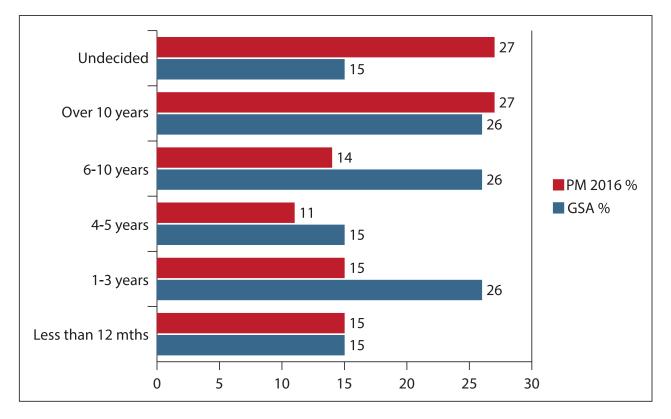
As with all jurisdictions across Australia, the NTPS workforce is ageing. As at July 2016 approximately 42% of the NTPS workforce was aged 45 years and older.

In a retirement intentions audit (of employees aged 50 years +) in 2014-15, 118 respondents indicated their intention to retire within the following 12 months. Subsequently, there were 159 actual separations (resign or retire) of staff over 65 years of age, with a further 531 separations for staff aged 55 to 64 years of age.

-		
Timeframe	Staff #	Cumulative
12 mths	12 mths	118
1-3 yr	1-3 yr	578
3-5 yr	3-5 yr	1062
5-10 yr	5-10 yr	1852
10-15 yr	10-15 yr	2400
>15 yr	>15 yr	2576
Uncertain	461	3037

Figure 1 – Intention to Retire – 2015 – Employees Aged 50+ years

Figure 2 – Intention to Retire: employees aged 45 years and over – comparison of GSA audit and 2016 People Matter data.



On the other hand, many workers anticipate working in some form into their 70s. Of the NTPS cohort aged over 65 years, 22% (or 122) are aged between 70-80 years. Despite this, the NTPS will experience shortages of skilled employees across all professions, levels and job classifications if the retirement intentions expressed by employees to date occur.

This data and information makes clear the pressing need for proactive strategies and initiatives to manage the opportunities and challenges that are inherent in an ageing workforce.

Development of the Transition to Retirement discussion paper and policy has been underway during 2015-16. The discussion paper is the precursor to a whole sector policy that will assist agencies and staff to respond to demographic change, to up-skill leaders to manage multigenerational teams, implement new ways of extending current employees' careers, and filling vacancies with both younger workers and new, mature workers.

Workforce Development

Capability and Leadership Framework (CLF)

Used as a benchmark for supporting consistent sector wide capability development, the CLF underpins training and development for all sector wide leadership, capability and management programs auspiced by OCPE.

New leadership and capability programs offered by OCPE in the reporting period were mapped against the framework such that learning outcomes and evaluation of the programs align to the CLF. The programs address across sector core corporate capability gaps, such as foundational public sector governance knowledge, performance management and public policy development. An effort to increase awareness of the CLF was achieved in the delivery of the framework in HR/ IR training, and including information about the framework in new programs introduced throughout the reporting period. These efforts will be further enhanced by a refresh of the CLF tools, website and publications in the forthcoming reporting period.

Future Leader's Network

Launched in 2015, the Future Leader's Network (FLN) is designed to build executive and leadership capacity for the future. The network is presently comprised of 46 high performing employees aged 30 years and under. There is a diverse range of employees in the network including HR staff, dentists, lawyers and teachers who were identified by their agencies as performing at the CLF level 7 or above (or equivalent) with high potential for further development.

The FLN promotes engagement among young, talented NT public sector employees through the provision of appropriate work challenges, group learning, mentoring and professional development. Members are undertaking a syllabus of professional development over a two-year period. The syllabus is designed to build leadership and other core capability skills required in the NTPS.

Quarterly meetings are held, and include sessions with NTPS CEOs and senior executives as guest speakers. Topics presented by CEOs and executives are relevant to current trends and have included:

- Maintaining currency and managing professional development as you progress in your career
- Work life balance perspectives on managing your own needs and those of your team
- Effective public service delivery during times of political change.

FLN members are also required to form working groups and participate in at least one group research project as part of their development. Agencies were requested to propose a policy or service delivery challenge for the FLN members to undertake. FLN working groups worked out-of-session to develop briefings and recommendations with the intention to present back to senior executives, relevant delegates and their fellow FLN colleagues.

The current FLN cohort is due to complete their program in July 2017. Planning is under way to evaluate and refine the program for future cohorts.

Bruneian Internship to the Northern Territory Government

During the reporting period OCPE coordinated and hosted a new initiative: the Public Sector Awareness Initiative of the Australian, Northern Territory and Bruneian Governments. This initiative saw two junior public service officers from Brunei undertake a three-month internship with the NTPS. The interns participated in one month placements with OCPE, the Department of Business (Asian Engagement), and the Department of the Chief Minister (North Australia Development Office). The internship provided the two officers exposure to the processes of the NTPS while working on projects and strategies that are important to the sector and of relevance to their roles in Brunei. The knowledge exchange between the interns and the agencies which hosted them provided opportunity to reflect on the systems and processes that we share, and points of difference. The cultural exchange was both a beneficial and positive experience.



My Development (Training Guarantee)

The NTPS is ensuring that it has the required capabilities and capacity both now and in the future to continue to deliver services to the NT. One of the ways to achieve this is a 'grow our own' strategy. The Training Guarantee, renamed 'My Development', is part of that strategy, and is available to employees in the AO1-AO5 (and equivalent) classifications.

OCPE launched My Development in March 2016. The initiative guarantees one week (five days) of on the job learning per year for all eligible employees. Its implementation has included the development of a suite of tools, guides and resources for eligible employees and their managers, and information sessions for executive and management teams and HR professionals across the sector.

My Development recognises that the most effective form of up-skilling is not necessarily structured training courses but a combination of formal and informal development opportunities primarily focused on 'on the job' learning options. Ensuring development is largely on the job provides an effective mechanism to quickly upskill employees at the AO1-AO5 (and equivalent) levels. My Development links the investment in on the job learning and agency benefits such as rapid application of new skills and knowledge, improved productivity, and ensuring employees have requisite skills and knowledge to progress in their careers.

The My Development initiative also highlights the requirement for formal performance management conversations and plans that include identification of development needs. This is an area that requires attention across the sector: the 2014 People Matter Survey results indicated that only 44% of respondents had a formal performance plan. Information sessions on the My Development initiative have included a strong focus on the importance of identifying and documenting development needs to ensure that employees are participating in options that are of relevance to their roles, improve productivity, and provide a return on investment to their agency.

Women in Leadership

In 2015-16, women comprised 63% of the total NTPS workforce. A wide range of employment and career options in the NTPS are available to suit women of all ages and from all backgrounds. The NTPS is continuing to support initiatives to increase women's participation in the workforce and the number of women in leadership positions across the NTPS.

A direct comparison against other jurisdictions is difficult due to alignment of senior and executive classifications. However, it is clear from the published data of other jurisdictions that the NTPS is out-performing other governments with 49% representation of women in senior and executive positions (SAO2 - ECO6 and equivalent).

In 2015-16, 16% (5 out of 31) of NTPS Chief Executives were women, as were 60% (6 out of 10 roles) of Deputy Chief Executives. Of the eight NTPS statutory authorities, 37.5% (3) are headed up by women.

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

- Increasing representation of women in non-traditional roles, such as technical and professional staff (for example, engineers), through a Work Shadowing for Women program
- The Discovery Women as Leaders program. This intensive leadership program is aimed at personal and professional development for women. Twenty three women completed the Discovery program in 2016

- The Public Sector Management Program equips middle to senior managers with the knowledge and abilities required to become effective public sector leaders. Of the 63 NTPS participants in the 2015-16 cohorts, 57% were women
- Lookrukin, the NTPS Indigenous women's leadership program, is specifically designed to offer Indigenous women in the NTPS the knowledge and skills to increase their effectiveness in their current position and to improve their career progression. Participants undertake a Diploma of Management at Charles Darwin University. Twenty Indigenous women graduated from the program in 2016.

Training Panel Contracts

Two panel contracts managed by the OCPE are available to NTPS agencies to access non accredited training and development providers. The 'Provision of non accredited training and development services contract' enables NTPS agencies to access non accredited training and development services. This three year panel contract gives agencies blanket approval to access 33 providers who can develop training content and/or deliver training across 50 training topics. This panel was due to expire in June 2016, but has been extended to late 2016.

During the reporting period the existing NTPS training and development panel contract has been evaluated, and planning for a new panel contract is well advanced. The future training panel contract will be an Across Government Contract and will have a mandatory application across the public sector. The range of training topics that will be included in the new panel contract have been developed with a range of stakeholders including subject matter experts (SME) and NTPS agency Learning and Development contacts. The training panel scope is to include:

- (a) accredited training
- (b) non-accredited training
- (c) delivery of e-learning format
- (d) learning and development services.

DCIS and OCPE will define a suitable evaluation and performance framework to better monitor supplier performance for the future contract. The new Training Panel Contract is expected to take effect in January 2017.

A Memorandum of Understanding negotiated in 2014 with the Australian Public Service Commission enables the NTPS to access a range of high quality capability and training providers throughout Australia. This panel is due to expire in December 2016.

Leadership and Capability Development Programs

A suite of leadership and capability development programs continued to be offered by OCPE during the reporting period with a total of 28 programs delivered, and around 560 NTPS employees participating in the programs. This is an 43.5% increase in program participation compared to the previous reporting period. In 2015-16 the programs included:

- Future Leaders Program
- Executive Leadership Program
- Discovery Women as Leaders Program
- Public Sector Management Program
- ANZSOG Advancing Leadership Program
- Machinery of Government Program
- Practical Public Policy Design Program.

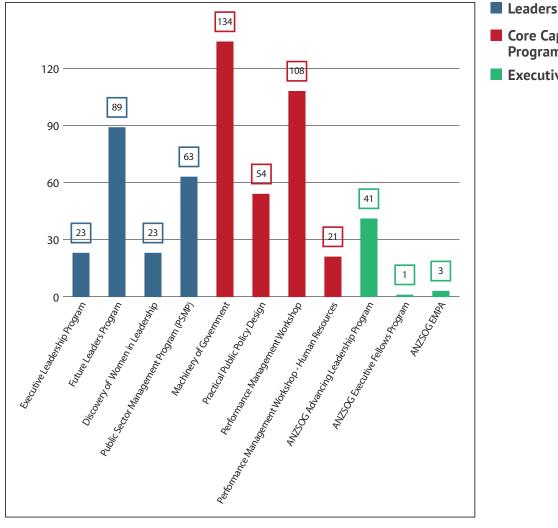


Figure 3 – Leadership, Capability and Executive Programs.

Leadership Programs Core Capability Programs Executive Programs

Future Leaders Program and Executive Leaders Program

The Future Leaders Program is open to employees between the AO7 and SAO2 levels (or equivalent), and the Executive Leaders Program is open to employees at the SAO2 level and above (or equivalent). A total of 112 participants completed both programs during the reporting period. A content refresh for both programs in late 2015 resulted in an increased focus on strategic planning for the 2016 programs. The program format continued to include NTPS CEOs as guest speakers to assist in contextualising the content. Thirty-three CEOs participated as guest speakers for the 2015-16 programs. The programs also require participants to work in teams to develop presentations on topics that are relevant to the whole sector. Topics for these presentations included NTPS wide collaboration and NTPS organisational performance.

Indigenous Leadership Development Programs

The Indigenous Employment and Career Development Strategy 2015-2020 was launched in 2015. The Strategy's aim is to improve Indigenous employment outcomes across the NTPS, including a 10% target of senior roles to be filled by Indigenous employees by 2020.

An integral component of building the leadership capability of Indigenous employees in the past seven years has been through the Kigaruk (Indigenous men's) and Lookrukin (Indigenous women's) leadership programs.

In March 2015, 21 women commenced the Lookrukin Indigenous Women's Leadership Development Program, with 20 women graduating in May 2016. Graduating with a Diploma of Management from Charles Darwin University, the format of the program includes formal learning contextualised to the workplace and reflection time to allow for application at work. Participants also undertake a work-based project.

Many agencies were represented in the program, included the Department of Local Government and Community Services; Corrections; Treasury and Finance; Transport; Housing; Health; Education; Corporate and Information Services; Children and Families; Attorney-General and Justice as well as the Department of the Chief Minister.

The NTPS has more than 100 Kigaruk and Lookrukin alumni members.



Public Sector Management Program (PSMP)

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

Two cohorts commenced in 2015/2016, with 63 participants commencing the program within the reporting period. This high number is a strong indication of the reputation for quality that the PSMP enjoys, and continuing demand for the program.

Performance Management Workshops

Performance management continues to be a sector wide capability gap area, and was again highlighted as a major theme of the biennial People Matter survey.

In responding to this, the OCPE facilitated the delivery of six performance management workshops for NTPS employees in 2015-16. The target audience for the workshops are employees at all levels who supervise or manage staff.

This workshop provides managers and supervisors with knowledge of the NTPS performance management framework, how it is applied, and how to effectively give and receive feedback.

Participant numbers reached 129, indicating a strong demand for the program, which will continue into the next financial year.

Machinery of Government

During the reporting period a refreshed version the Machinery of Government Program was reintroduced for delivery at the whole sector level. This program had a two-year hiatus while an appropriate provider was sourced. The program builds a foundation of understanding of the context of government within which public sector employees operate.

During the reporting period 134 participants undertook the program; evaluation and feedback has been extremely positive. The format includes guest speakers from the Ombudsman office, the Auditor-General and the Department of Treasury and Finance. A tour of Parliament House supplements the content.

Practical Public Policy Design

In 2015-16 a new program was introduced in response to a policy capability gap and sector wide demand. The Practical Public Policy Design program builds on the knowledge gained from Machinery of Government program and aims to provide participants with an introductory to intermediate understanding of policy development within the context of the NTPS.

The content was developed in conjunction with the Department of the Chief Minister. The format of the program is supplemented with senior policy guest speakers from DCM. Delivered in the last two months of the reporting period the program was well received with 54 participants attending.

Australia and New Zealand School of Government (ANZSOG)

ANZSOG is the peak institution providing public sector executive education. ANZSOG's distinctive feature is the collaboration between its academic and government partners, which produces programs that have a blend of theory and practice of rigor and relevance and which has yielded real benefits for program participants and organisations alike. 2015-16 highlights include:

- Three senior executives were selected to undertake the Executive Master of Public Administration, with one member attending part of the course in Singapore
- One senior executive was selected to participate in the 2015 Executive Fellowship Program
- One CEO participated in the ANZSOG CEO Forum
- The Commissioner for Public Employment participated in an ANZSOG study tour to China
- OCPE and ANZSOG co-designed a new program for NTPS mid-senior executives, the Advancing Leadership Program. Two Advancing Leadership Programs have been delivered in the reporting period, with a total of 41 participants.
- ANZSOG also delivered a customised 'Public Value and Influence' workshop for employees from the Departments of Primary Industry and Fisheries, Land Resource Management, and Lands, Planning and the Environment.

Building Human Resource and Industrial Relations Capacity in the NTPS

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

Biannual HR Forums provide a knowledge sharing and networking opportunity for the NTPS HR community. In 2015-16, OCPE sponsored two HR Forums, with an average of 100 registrations. The Forums provided HR professionals the opportunity to update their knowledge on legislation, industrial updates, leadership and workforce development issues and projects, change management developments, and innovative sessions showcasing success stories from NTPS agencies.

The HR Forums were held at Charles Darwin University with Alice Springs staff able to video link into the events. The themes of 'Human Capital Planning' and 'Managing Change' were the focus for the 2015-16 Forums.

Equity and Diversity in the NTPS

OCPE's disability employment strategy, 'EmployAbility', has been in place since 2013. The strategy focuses on the NTPS's aim to be an inclusive and diverse employer which harnesses the often untapped potential of people with disability.

The strategy supports the recruitment and retention of people with disability and includes a number of proactive initiatives including a sector wide membership with the Australian Network on Disability (AND).

AND is a not-for-profit organisation resourced by its members to advance the inclusion of people with disability in all aspects of business. Through the NTPS membership with AND, the following resources have been purchased and made available to all NTPS employees:

- 'Managers Guide to Employing Staff with Disability'
- 'Beyond Recruitment a guide to retaining staff with disability in your organisation.

In 2016 OCPE sponsored AND's national conference for the second time. This conference provided insight into leading initiatives and best practice methods in the disability employment field from a range of government and non government organisations. Learnings from this conference, and the Australian Human Resource Institute's inclusion and diversity conference, will help shape and inform the development of the successor to the current EmployAbility strategy, due for release in 2017.

The development of a replacement strategy is underway and OCPE will continue to work with the Australian Network on Disability to support agencies to attract and retain employees with disabilities.

Disability Employment Program

Under EmployAbility, the NTPS offers finite (up to two years) employment opportunities to people with a disability as a pathway to ongoing employment through the Disability Employment Program (DEP).

The NTPS works in partnership with Employment Support Services to provide employment opportunities to people with a disability who are not able to be competitive in winning a job on the basis of merit. The program aims to provide employment opportunities within the NTPS which give participants experience and skills through on-the-job learning. This experience will then broaden participants future career options. In the 2015-16 financial year, nine employees were employed through the DEP. During the reporting period OCPE also revised the governing policy for the DEP, reinvigorating the focus on the provision of meaningful work and developing the work skills and capabilities of participants. This initiative was short-listed for a Chief Minister's Award for Public Sector Excellence in 2015.

Reward and Recognition

2015 Chief Minister's Awards for Excellence in the Public Sector and Chief Minister's Public Sector Medals

The Chief Minister's Awards for Excellence in the Public Sector are the Northern Territory Government's showcase event to recognise the exceptional talent and energy in the Northern Territory Public Sector. The OCPE coordinates the nomination and judging process for this event each year. In 2015, 80 submissions were made across eight categories.

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

Up to ten Medals are awarded each year. For the first time, a special medal was awarded in 2015 to an individual who demonstrated outstanding Indigenous leadership.

Ten employees received a prestigious Chief Minister's Public Sector Medal at the 2015 ceremony:

Elizabeth Olle	Department of Children and Families
Ann Vincent	Department of Corporate and Information Services
Peter Brocklehurst	Department of Lands Resource Management
Tracey Mehonoshen	Department of Infrastructure
Bryan Hughe	Department of Education
Daryll Kinnane	Department of Education
Jill Tudor	Department of Education
Selena Uibo	Department of Education
Tim Schatz	Department of Primary Industry and Fisheries

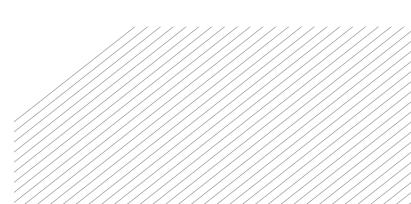
Outstanding Indigenous Leadership Medal:

Colleen Rosas Department of Primary Industry and Fisheries

Public Service Medal (Australia Day Honours)

The NTP contributes annually to the official Australian system of honours. As part of this, the Public Service Medal acknowledges outstanding service by employees of the Australian, Northern Territory and Local Governments. Each year, up to two medals are allocated to the NTPS, and are to be awarded at the Australia Day celebrations on 26 January. The two recipients of the distinguished Public Service Medal in 2015 were:

- Anne Tan Working in the Northern Territory Government for a period of more than 25 years, Mrs Anne Tan was acknowledged for her involvement in cross-jurisdictional policy work and major rewrites of the Financial Management Act and Treasurers Directions. In particular Mrs Tan was recognised for her efforts in the successful legal challenge with the Commonwealth Government regarding the Fringe Benefit Tax being applied, saving the Territory millions of dollars annually. Other major projects include both the Alice Springs and Darwin Waterfront Convention Centre proposals, the sale of the TAB, preliminary work on the new Darwin prison, various land release projects, a range of housing related developments, the Gove reform proposal for the Northern Territory supply of gas to Gove and private housing proposals in Gove.
- Jim Rogers was recognised for his leading role in the whole of government recovery coordination for two tropical cyclones that hit across the East Arnhem Region of the Northern Territory in February 2015. Implementing a two stage rebuilding plan for the community during this time, Mr Rogers was instrumental in strengthening Government ties with both Indigenous communities and local community organisations. With a strong focus on community safety, health, wellbeing and cultural needs, Mr Rogers' leadership of the recovery process has improved the ability of the Northern Territory Government to respond in a severe emergency situation.



Recognition of Service Milestones

Official recognition of service in the NTPS occurs within agencies for 10, 20, 30, 35, 40+ and 50+ year milestones. During the reporting period a new Recognition of Service Milestones was introduced. The initiative publicly recognises and rewards employees for long service – 30, 35, 40+ and 50+ years of service – to the Northern Territory Government.

Eligible employees who elect to participate in the Recognition of Service initiative attend function hosted by the Chief Minister and the Minister for Public Employment, and receive a certificate of service and a gift as tokens of appreciation.

In 2015, two events were held, one in Darwin and one in Alice Springs. A total of 165 employees were recognised during these functions.

Employees who have achieved 50+ years of service are invited to be recognised at the annual Chief Minister's Awards for Excellence in the Public Sector. In 2015, two NTPS employees were eligible to be recognised for their commendable service, one of whom elected to be formally recognised.



Figure 4 – Number of Employees Reaching Service Milestones

Years of Service	Number of Employees
30	86
35	59
40+	20

Wellbeing Initiatives

Australian Superannuation Information Sessions

The OCPE facilitated the delivery of Australian Superannuation information sessions in 2015-16. These sessions were for NTPS employees of all ages and stages of life. The sessions provided guidance and information about superannuation and gave the 44 participants the opportunity to ask questions from an Australian Super industry expert.

Financial Planning Information Sessions

Financial stress is known to have a significant impact on employee wellbeing and engagement. In recognition of this, OCPE auspiced the delivery of free financial information sessions, delivered by the Department of Human Services. These sessions were for NTPS employees of all ages, resulting in 106 attendees. Three sessions were held and topics included "Salary Sacrifice to Superannuation", "Protecting Assets" and "The Age Pension".

Discounted Health Insurance Initiative

This initiative is an arrangement where discounted private health insurance is promoted to NTPS staff. In 2015 the Commissioner for Public Employment sought submissions from all private health funds for discounts and promotional offers that could be made available to NTPS staff. Six health insurance companies have now been appointed to a panel, each offering specialised discounts to NTPS employees. Individuals liaise directly with their chosen provider, and pay for their own insurance.

The initiative was launched in February 2016. The health insurance companies delivered information sessions for interested employees as part of the launch, and the initiative will be promoted biannually across the sector.

Priorities for 2016-17

The priorities for 2016-17 include:

- Development of an NTPS Transition to Retirement policy
- Development of a human capital planning governance framework
- Implementation of a Learning Management System, including piloting the use of an e-learning platform in a whole-sector environment
- Review and evaluation of the EmployAbility 2013-2017 Strategy, in preparation of developing a replacement strategy
- Development of a Leadership and Core Capability Development Strategy, including a review of the Capability and Leadership Framework
- Implementation and contract management of the new Across Government Training and Development Panel Contract
- Ongoing delivery of leadership and capability development programs.

INDIGENOUS EMPLOYMENT AND CAREER DEVELOPMENT

Overview

The Indigenous Employment and Career Development (IECD) drives the implementation of the IECDS which aims to achieve an increase to 16% Indigenous employment and 10% Indigenous staff participation in Senior/ Executive roles in the NTPS by 2020. The IECDS brings together a range of new and existing initiatives that will assist agencies to grow their Indigenous workforce and meet the NTG's commitment to increasing Indigenous employment.

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

Role of IECD

The IECD primary role is to work with and support agencies with the implementation of the IECDS in increasing and retaining Indigenous employment and participation in the NTPS, including working with external organisations.

A key action of the IECDS was the establishment of a Champions, Resource and Reference Group to drive agency initiatives and overcome structural barriers to increasing Indigenous recruitment, retention and career development opportunities across the NTPS.

The groups were established in 2015 with the Champions Group comprising of several CEOs, the Resource Group comprising of HR Directors and senior executives, and the two Reference Groups comprising of senior Indigenous employees, one group based in Darwin and the other based in Alice Springs. These groups meet on a regular basis as a consultative and advisory body to support IECD with implementing the four key themes in the IECDS.

The Themes

Four key themes have been identified to attract and retain Indigenous people in the NTPS, with a strong focus on increasing employment, encouraging participation, and building capability to develop their careers in the NTPS.

Theme 1: Targets for Indigenous Employment and Participation

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

Theme 2: Engagement and Support

Agencies must build capabilities by creating learning and mentoring opportunities and allowing Indigenous employees to identify goals that will assist them to reach their full potential.

Theme 3: Attraction and Retention of Indigenous People

NTPS must be innovative and develop culturally appropriate recruitment and retention strategies if we are to attract and retain future Indigenous employees.

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

NTPS provides Indigenous employees with access to training and development opportunities and provide assistance to identify and facilitate career progression and pathways in the NTPS.

Implementation

Over the past 12 months IECD has presented and/or participated in various conferences and forums to promote the IECDS at the local and national level, such as the:

- Clontarf Foundation Darwin Employment
 Forum
- Strengthening Indigenous Economic Development
- Career Development Association of Australia National Conference
- National Indigenous Economic Development Conference
- NTG 7th Indigenous Economic Development Forum
- AMSANT and Centre for School Leadership's "Healthy Kids-Smart Kids"
- Indigenous Leadership Conference, and the
- NT Skills, Employment and Careers Expo.

These events provided a great opportunity to promote the IECDS, highlight current achievements and future priorities as well as promote NTPS career opportunities and pathways.

In May 2016, funding was approved for IECD to develop a number of programs and initiatives focused on increasing Indigenous employment, professional development and career progression opportunities to assist agencies achieve the 2020 targets.

ATSI Employment Aspirations Program

The ATSIEAP was developed as a pilot program in July 2015 targeting senior ATSI students. The program was a collaborative approach between the NTG, Casuarina Senior College, the Clontarf Foundation and Tanyah Nasir Consulting Services. The ATSIEAP was a 10 week program that was designed to assist ATSI senior students in the transition from school to work. The program focused on building confidence, preparing students for the world of work, identifying career aspirations and pathways as well as promoting the various career opportunities available in the NTG.

This program is anticipated to be expanded into other schools across the NT in 2016-17.

Monitoring and Reporting

DCIS IECDS Report

IECD worked closely with DCIS to develop a whole of sector reporting framework based on the NTPS Workforce Metrics Dictionary to monitor the progress towards the 2020 targets.

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

IECDS Annual Progress Report

A key action in the IECDS was to report on the progress towards the 2020 targets on an annual basis. To achieve this, the IECDS Annual Progress Report was developed and will be produced in April of each year on the anniversary of when the strategy was launched.

The first annual progress report was published in April 2016 and is available from the OCPE website.

The report outlines the work achieved by OCPE over the past 12 months and provides a summary of each key action under the four key themes. Individual Agency progress on their responsibilities under the IECDS will be reported through their own annual report as well as through the State of the Service Report.

Priorities for 2016-17

The priorities for 2016-17 include:

- Monitor agencies' progress towards the 2020 targets
- Develop an NTPS ATSI Employee Mentoring Program
- Review agencies' current cross cultural awareness and competency programs and develop an All of Government program

- Develop a Career Development Framework for ATSI Employees which focuses on retention, professional development and career progression
- Organise an annual NTPS ATSI Employee Forum
- Expand the ATSIEAP into selected schools across the NT
- Develop an online information portal
- Continue to provide guidance and support to agencies in the development and promotion of programs and initiatives to increase Indigenous employment across the NTPS
- Continue to meet and support the IECD Champions, Resource and Senior Indigenous Reference Groups.

PROMOTION, DISCIPLINARY AND INABILITY APPEALS AND GRIEVANCE REVIEWS

Overview

Promotion, Disciplinary and Inability Appeals and Grievance Reviews (PSA&GR) has four main functions:

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



PSA&GR's objective is to ensure merit, equity, and fairness prevail in public sector management through effective, impartial and independent grievance review and appeal mechanisms, administration of selection and recruitment policy and procedures, facilitation of special measures in recruitment, and the provision of education and training in these areas.

Appeals in 2015-16

The Public Sector Appeals Board (PSAB) was created on 1 January 2012, replacing the formerly separate Promotion, Disciplinary and Inability Appeal Boards.

The PSAB is an independent body located, for administrative purposes, within Public Sector Appeals & Grievance Reviews (PSA&GR) unit of OCPE.

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

Promotion Appeals

Promotion appeals are conducted in accordance with s.59C through to s.59G of PSEMA and Public Sector Employment Regulations 8-9 and 12-15.

Promotion appeals can only be made by existing employees, in situations where the selection is a promotion for both the appellant and the provisional promotee. No ground of appeal is specified in PSEMA, however, the test applied by the PSAB is whether the selection decision was consistent with the merit principle as defined in PSEMA.

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

- (a) affirm the decision
- (b) vary the decision
- (c) set aside the decision
- (d) set aside the decision and return the matter to the relevant CEO for reconsideration
- (e) set aside the decision and replace it with the PSAB's decision.

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

Year	Promotions	Promotion Appeals	%
2009-10	1352	47	3.5%
2010-11	1587	66	4.2%
2011-12	1835	145*	7.9%*
2012-13	961	65	6.8%
2013-14	1147	53	4.6%
2014-15	1349	55	4.1%
2015-16	1412	40	2.8%

Promotion Appeals Statistics

Figure 5 – Number and Percentage of NTPS Promotions Appealed

* The larger than usual number of appeals in the 2011-12 financial year stems from a larger number than usual of 'bulk' recruitment processes.

Promotion Appeals Timelines

PSAB's target for completion of promotion appeals is 6 weeks from receipt of the appeal to determination by the PSAB. In the 2015-16 financial year the average completion time for a promotion appeal was 4.1 weeks.

Figure 6 – Summary of Promotion Appeals Statistics

	2010-11	2011-12	2012-13	2013-14	2014 -15	2015 -16
Appeals carried over	0	10	0	2	11	2
Appeals received	66	145	65	51	44	40
Total handled	66	155	65	53	55	42
Finalised	56	155	63	41	53	40
Varied by appointing Appellant (Allowed)	2	3	1	3	0	0
Decision Affirmed (Disallowed)	17	38	27	6	19	26
Set aside and returned to be redone advertised/ set aside	7	58	14	5	2	1
Withdrawn	26	54	16	21	26	12
Vacated (cancelled)	4	2	5	6	6	1
On hand at end of period	10	0	2	12	2	2

Disciplinary and Inability Appeals

- Disciplinary and Inability appeals are conducted by the PSAB in accordance with s.59A and s.59C through to s.59G of PSEMA and Regulations 8-10 and 12-15
- In 2015-16 there were 3 disciplinary appeals completed. One was withdrawn by the Appellant, and in the other two the CEOs' decisions were affirmed
- In 2015-16 there was 1 inability appeal received and it remains to be determined.

Disciplinary and Inability Appeals Timelines

- PSAB's target for completion of disciplinary and inability appeals is 3 months from receipt of the appeal to determination by the PSA Board
- In the 2015-16 financial year the average completion time for a disciplinary and inability appeal was 2.7 months.

Section 59 Grievance Reviews of Treatment in Employment 2015-16

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

Section 59 Grievance Reviews Statistics

Grievances Received

In 2015-16 a total of 86 grievance reviews were handled. This is a decrease from the historical average for the past five years of approximately 120, and is attributed to a 50% drop in grievances about selection decisions as a result of the Simplified Recruitment initiative implemented on 1 June 2015.

The grievance review unit utilises a flexible, outcome focused approach to handling grievances, concentrating, when possible, on achieving resolution through discussion, negotiation and mediation. As a result, many grievances are resolved at early stages, without the CPE having to make a specific direction. Only three grievances in 2015-16 led to the CPE directing an agency to change the agency decision or take another action. However, in a number of other grievances, although the CPE did confirm the agency action, he also included comments or advice for improvement in the agency's handling of the matter.

Decisions	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Agency directed to take/refrain from taking action	0	3	6	2	3	3
Agency action confirmed	26	18	15	37	41	6
Agency action confirmed with comment from the CPE	16	10	13	17	6	5
Resolved through PSA&GR involvement	36	34	44	27	69	50
Being handled by the agency	3	11	10	11	11	9
Declined to review (eg out of time, no jurisdiction, non employee)	14	9	7	1	4	2
Withdrawn	10	16	9	11	17	6
On hand at the end of the period	10	10	9	15	4	5
Total handled	117	112	115	121	155	86

Figure 7 – Outcomes of s.59 Grievance Reviews

Timeliness in Handling Grievances

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

During the 2015-16 financial year the time taken to resolve a s59 grievance was, on average, 1.3 months, well within the statutory time frame.

Timeliness was also measured by counting individual grievances, as well as overall average. This measure showed that, of the 86 grievances handled this year, only 4 took longer than three months to finalise. This equates to 95% of grievances completed within the statutory time frame, exceeding PSA&GR's target of 90%.

Most Common Issues Raised in Grievances

The most common issues raised in grievances in 2015-16 were, in order of prevalence:

- Selection decision
- Management action or decision
- Unfair treatment
- Application of procedures and policies
- Agency handling of bullying
- Bullying
- Review of a disciplinary decision
- Application of conditions of service
- Termination on probationary employment.

Reasons	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Selection decision	35	43	37	56	73	36
Management action or decision	58	35	56	50	55	27
Unfair treatment	-	-	-	2	8	9
Application of procedures and policies	10	3	5	0	2	5
Agency handling of bullying	8	7	6	5	3	3
Bullying	1	3	4	2	6	2
Review of a disciplinary decision	-	-	-	2	3	2
Application of conditions of service	4	17	3	1	2	1
Termination of probationary employment	1	4	4	3	3	1
Total handled	117	112	115	121	155	86

Figure 8 – Reasons for s.59 Grievance Reviews

Special Measures Plans

A special measure is a program, plan or arrangement designed to promote equality of opportunity. The two EEO groups that the CPE has identified as having not yet obtained equality of opportunity in employment within the NTPS are Aboriginal and Torres Strait Islanders and persons with disabilities. During 2015-16 the CPE has encouraged agencies to implement special measures recruitment plans within their agencies to benefit these groups.

There two most common types of special measure recruitment plans are:

• Designated Positions

The agency specifically designates a vacancy for a person from an EEO group and it cannot be filled by any person from outside that group. This type of plan is most commonly used in relation to persons with a disability, and a number of positions within the NTPS have been filled on this basis during 2015-16. Another area where designated position are utilised is occupations where the duties are specific to the skills of a certain group – such as Aboriginal Health Workers or Aboriginal Interpreters.

• Priority Consideration and Preference in Selection

In these plans applicants from the EEO target group are considered first before all other applicants, and given preference in selection if they meet all the criteria and are suitable at level. In the discretion of the agency, priority plans can apply to specific vacancies or to all advertised vacancies ('blanket plans'). Under priority plans applicants who belong to the plan's EEO group will be considered for employment before other applicants, and, if suitable at the level required, will be selected, and the selection process finalised at that stage without assessment of other applicants being required. Eleven NTPS agencies have now implemented priority preference in selection for ATSI applicants for all advertised vacancies. These agencies are:

- Department of Health
- Department of Education
- Department of Housing
- Department of Corporate and Information Services
- Department of Business
- Department of the Chief Minister
- Department of Arts and Museums
- Department of Sport and Recreation
- Department of Local Government and Community Services
- Office of the Commissioner for Public Employment
- Police, Fire and Emergency Services (for NTPS vacancies).

A number of other agencies have implemented special measures plans applying only to some vacancies, however data demonstrates this approach is not as effective as applying special measures to all advertised vacancies.

Review of ATSI Applicants found Unsuitable when assessed under a Special Measure Recruitment Plan

Under an ATSI **Priority Consideration and Preference in Selection** Special Measures plan, if an ATSI applicant is found unsuitable, then, prior to progressing to assessment of non-ATSI applicants, the panel must forward the finding to the PSA&GR unit for review. PSA&GR has committed to completing such reviews within 5 working days of receiving the information.

Outcomes of Reviews of Unsuitable Findings

During the 2015-16 financial year the PSA&GR unit reviewed 383 selection decisions in which an ATSI applicant was found unsuitable. Of these 349 were approved, and 35, or approximately 9.1%, were returned for further consideration.

Timeliness of Reviews of Unsuitable Findings

The average completion time for the 383 reviews conducted in 2015-16 was 1.3 days, with none taking longer than the 5 working day target.

Special Measures Training

PSA&GR has developed and delivers training and education sessions about Special Measures and offers these sessions free of charge on a regular basis. An eLearning course on Special Measures has also been produced and is available to all NTPS employees.

Simplified Recruitment and Merit Selection Training

Simplified Recruitment

A uniform NTPS recruitment and selection policy and procedures were implemented from 1 June 2015, intended to streamline and improve the quality of NTPS selection processes. After only one year the initiative has achieved impressive results, with recruitment times dropping by more than 50%, from 106 days to 51 days, and a significant drop in appeals and grievances about selections.

Merit Selection Training

The Simplified Recruitment initiative included the development and implementation of the NTPS Recruitment and Selection Policy which requires compulsory Merit Selection training for all NTPS staff.

The merit selection training course was conducted by the PSA&GR unit at no charge up to four times a week throughout the first half of the 2015-16 financial year. Training courses were also delivered to larger agencies who could arrange their own groups of a minimum of 25 attendees per training course. Smaller tailored programs were also offered for executive level officers. Commencing 1 January 2016 the merit selection training is offered on a cost recovery basis at \$150 per session, and is conducted at least twice monthly, in either Darwin or Alice Springs, with extra sessions in Tennant Creek, Katherine and Nhullunbuy, and Groote Eylandt.

In total more than 5000 NTPS employees have received in person training in merit selection and satisfaction ratings relating to all aspects of the Merit Selection training course is consistently very high at over 90%.

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

Priorities for 2016-17

The priorities for 2016-17 include:

- Review and update the NTPS eLearning training course
- Review and update the NTPS merit selection materials and templates
- Develop and distribute a survey to both applicants and selection panels to obtain data about Simplified Recruitment
- Gather and report data on Special Measures for the purpose of conducting a review and addressing concerns and myths
- Continue to provide timely quality appeal and grievance handling services for the NTPS.

OCPE REPRESENTATION IN CENTRAL AUSTRALIA

Overview

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

Activities undertaken in Central Australia in 2015-16 on behalf of the CPE were:

- Assist in implementing government policies
 - provided advice and assistance to managers and employees as required.
- Public sector employment
 - participated in the Tennant Creek and Alice Springs careers expos.
- Strategic HR advice
 - employee relations advice to both managers and employees, including those in remote localities - worked with agencies to resolve employee disagreements.
- Regional redeployment and redundancy function
 - provided advice and assistance to managers and employees as required.

- Whole of industry workforce policy coordination
 - chaired the Strategic Workforce Issues Action Group (regional HR Managers group), including enterprise bargaining briefings, provided briefings on new initiatives and policies, discussed various HR/ER/IR issues, represented the OCPE on various other committees and networks.
- Promotion appeals and grievance reviews
 - provided advice and assistance to manager and employees as required.

Priorities for 2016-17

The priorities for 2016-17 include:

- Continue work to identify specific regional and remote workforce issues that need addressing.
- Assist with work towards standardising merit selection practices and simplified recruitment process across the NTPS.



CORPORATE AND GOVERNANCE OUTPUT GROUP



CORPORATE AND GOVERNANCE

Overview

The strategic objective of the Corporate and Governance Output Group is to ensure the OCPE is positioned to meet its governance and statutory obligations. This is achieved through a range of functions including governance, financial services, human resource management, information and communication technology, audit and risk services, and communications and media. For the purpose of this annual report, the activities of the Corporate and Governance Output Group will be reported on under the headings of *Governance Framework, Our People,* and *Financial Statements*.

Priority for 2016-17

The priority for 2016-17 is:

• Assist with work towards standardising merit selection practices and simplified recruitment process across the NTPS.

GOVERNANCE FRAMEWORK

Overview

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

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

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

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

Shared Services Received

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

- Communications and marketing
- Corporate governance
- Procurement services
- Office services
- Financial and budget management
- Travel
- Human resources
- Records and information management
- Information technology.

Under the shared services arrangement with DCM, the Executive Director, Corporate Services Division is also a member of the OCPE's Management Board. He also represents the CPE on various inter agency coordination forums.

Organisational Structure

The OCPE consists of two Output Groups that deliver outputs. Figure 9 shows the high-level management and operational structure as at 30 June 2016.

Figure 9 – Organisational Structure

	Com	missioner for Public	Employment – Crai g	g Allen	
		Employment Ser	vices Output Group		Corporate and Governance Output Group
Employee and Industrial Relations Output	Workforce Planning and Development Output	Indigenous Employment and Career Development	Promotion, Disciplinary and Inability Appeals and Grievance Reviews Output	OCPE Services in Central Australia	Shared Services Received Output
 Director ER Cheryl Winstanley Negotiate NTPS enterprise agreements in line with the NTPS Wages Policy Develop and manage Executive employment parameters Support agencies implementing significant change management and in the resolution of disputes in a fair and equitable manner Promote JES process and improve application Promote and support management best practice of employment governance Improving human resource planning and management across the public sector through analysis and reporting of workforce data Develop and manage employment policies Administer the Long Service Leave Act (NT) and Public Holiday Act (NT) Manage the NTPS employment framework Coordinate the NTG input to ILO matters Represent the NTG on national industrial relations committees and provide advice aboust industrial relations Gentral management of and policy development for NTPS redeployment and redundancy Secretariat services to the Correctional Officers 	 Director SWPD Libby Doney Whole sector strategic human capital/workforce planning, monitoring and reporting, and policy development to address key workforce issues Workforce development including early career programs, building capability through on the job learning, and talent management; Delivery of capability development programs including leadership and other core corporate competencies Promotion of equity and diversity in the NTPS with a focus on initiatives Strategic workforce advice to meet the needs of Government and NTPS agencies 	 Director IECD Phil Brown Drive the implementation of the IECDS Promote the NTPS as an employer of choice Support Agencies across the NTPS to implement and achieve their 16% Indigenous Employment at Senior Executive levels Expand the ATSI Employment Aspirations Program to assist Indigenous students complete their senior schooling and prepare them for the transition from school to work. Continue the IECD Champions Group, Resource Groups to assist in driving and implementing the IECDS across the sector 	Director PSA&GR Terry Lisson • Public Sector Appeals • promotion appeals, disciplinary appeals and inability appeals • Section 59 grievance reviews • Whole sector Merit selection training • Whole-sector special measures training • Special measures development of policy, procedures and provision of ongoing advice • Secretariat function for Public Sector Appeals Board	Commissioner's Representative for Central Australia Wayne Sanderson Strategic HR advice Regional redeployment and redundancy function Promotion appeals and grievance reviews Assist in implementing government policies Public sector employment Whole of industry workforce policy coordination	Executive Director Corporate Services (DCM) David Ryan Audit and Risk Management Financial and budget management Human resource services Records and information management Travel Communications and marketing (DCM, CMB)

Workforce statistics and analysis

Management Board

Purpose

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

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

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

Membership

Management Board members at 30 June 2016 were:



Craig Allen

Commissioner for Public Employment

Craig came to the NTPS after holding a range of senior management positions for more than 19 years with a government career spanning more than 36 years.

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

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

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

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



Cheryl Winstanley

Director Employee Relations

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

Phil Brown

Director Indigenous Employment and Career Development

In January 2015, Phil was appointed as the Director of the Indigenous Employment and Career Development Division in the OCPE.

Phil is an Aboriginal person born in Darwin and commenced employment with NT Correctional Services in 1985 as a Prison Officer based at the Darwin Correctional Centre.

Since joining NT Correctional Services, Phil has performed duties in specialised areas and taken on a range of higher duties within the correctional centres and Head Office. In 2004, Phil commenced duty as the Acting Superintendent of Darwin Correctional Centre before being permanently appointed as Superintendent of Alice Springs Correctional Centre in 2006.

In 2010, Phil was appointed as Superintendent, Staff Training and Development Centre.



In this role he was responsible for the Prison Officer in Training courses and assisted in training programs for Community Corrections (Parole Officers) and Youth Workers across NT Correctional Services.

In 2012, Phil was appointed as Executive Director Custodial Operations and has also acted as the Commissioner of NT Correctional Services on occasions and was a member of the NT Parole Board. In January 2014, under the NTG's 'Broadening our Horizons' program Phil commenced a 12 month secondment with CatholicCareNT, working in the Family and Children Services area focusing on strategies for reducing family violence in the remote Aboriginal communities.



Libby Doney

Director Strategic Workforce Planning and Development

Libby has a diverse career history spanning the private, not for profit, and public sectors. With a Bachelor of Business, a Graduate Certificate in Public Sector Leadership and a Master of Public Governance, her background is in adult education, policy development and implementation, workforce capacity development, and program management.

Libby has extensive experience working in cross cultural contexts within Australia and internationally. She has held various senior policy officer and program management/ implementation roles, as well as managing an international engagement program for an Australian peak body.



Terry Lisson

Director Public Sector Appeals & Grievance Reviews

Terry joined the OCPE in January 2008 from the position of Director of Conciliation, Policy and Law at the NT Anti-Discrimination Commission, where she had worked for the previous six years. Terry holds a Bachelor of Arts (Honours Psychology) and a Bachelor of Laws and, in addition to many years working as a practising lawyer in both Canada and Australia, has extensive training and experience in complaint handling, conflict resolution, conciliation and mediation.

Wayne Sanderson

Commissioner's Representative for Central Australia

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

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

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

In 2012 Wayne took on the role of Regional Manager Shared Services Client Liaison with DCIS. From October 2013 Wayne regularly acted in the Director Regions role, which included functioning as the Commissioner's Representative for Central Australia. In November 2014 Wayne was appointed to the Director Regions role. Wayne has vast experience



in senior management positions across the public sector. Wayne has completed a Bachelor of Justice and Society (Flinders University), a Masters Degree in Indigenous Knowledges (Charles Darwin University) and a Professional Certificate in Management (Adelaide University).



David Ryan

Executive Director Corporate Services and Chief Finance Officer

David Ryan joined DCM in February 2014 in the dual role of Executive Director Corporate Services and Chief Finance Officer. The role oversees the provision of corporate services to the OCPE under a shared services arrangement.

David leads the Corporate Services Division that provides human resource, finance, audit and risk management, information technology, office services and records management services to both agencies.

David has previously held the Chief Finance Officer position at the NT's two largest agencies, first at the Department of Health and Families and more recently the Department of Education and Training. Prior to joining DCM David held the Chief Finance Officer position with the Department of Lands Planning and Environment, and the Department of Transport, which also operated under a shared services arrangement.

David has had extensive corporate/finance experience within the NTPS since joining in 1996, first with NT Treasury and then other service agencies. Prior to joining the NTPS David worked for 19 years in the finance sector with the Westpac Banking Corporation.

Committees

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

Audit and Risk Management Committee

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

- Monitoring strategic, reputational, corporate and operational risk management and the adequacy of the internal controls established to manage identified risks
- Monitoring the adequacy of the OCPE's internal control environment and reviewing the adequacy of policies, practices and procedures in relation to their contribution to, and impact on, the OCPE's internal control environment

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

Membership

Independent Chair: John Cossons

Members:

- Tarrant Moore Director, Budget Development, Department of Treasury and Finance
- Libby Doney Director, Strategic Workforce Planning and Development, OCPE
- Rachel Bacon Deputy Chief Executive Officer, DCM

Invitee:

David Ryan – Executive Director, Corporate Services and Chief Financial Officer, DCM The ARMC met five times this financial year, on 21 July, 10 September and 20 October 2015 and 28 January and 6 May 2016. Key outcomes from the ARMC meetings included:

- Monitoring the OCPE's 2015-16 risk profile through the Management Board's Risk Register
- Reviewing and recommending the OCPE's 2015-16 Internal Audit Plan to the CPE for approval
- Monitoring implementation of the OCPE's 2015-16 Internal Audit Plan
- Reviewing the OCPE's public accountability documents and providing comment to the CPE
- Reviewing the OCPE's audit reports and monitoring management's implementation of audit recommendations conducted under the OCPE's internal and external audit programs
- In addition to the five meetings held during 2015-16 the ARMC met in August 2016 to review the OCPE's risk and audit activities during 2015-16, including the April to June quarter and advised the CPE that the OCPE could demonstrate an adequate internal audit capacity in 2015-16 for the purpose of the 2015-16 Annual Report's Transmittal Letter (Letter to the Minister).

Information Governance Committee

In 2015, the Department of the Chief Minister's Board of Management approved the formation of a joint DCM/OCPE Information Governance Committee (IGC) as one element of a governance framework. In December 2015, the IGC first met with a general scope to oversee the management, security and distribution of the agency's information and data, and coordinate agency information and data management frameworks, strategies and policies.

A draft Terms of Reference was prepared by the IGC in 2015-16 with Committee Functions proposed as:

- Establish and monitor the effectiveness of the information governance framework, including all strategic, policy and architecture documents
- Oversee information standards implementation, for example, business systems functionality, metadata and interoperability capabilities
- Oversee agency information governance reporting and external information audits/reviews
- Coordinate internal information reviews to identify information assets and their value, manage risk and compliance, and improve business processes
- Identify who is responsible within the agency for information assets identified in audit and review processes
- Plan, implement and monitor information infrastructure according to business information needs. For example, the Committee will approve business systems business cases to ensure they meet information needs and standards prior to submission to the Board of Management for procurement endorsement
- Ensure the inclusion of information management values and principles within the agency's workforce plan, in conjunction with Human Resources

- Provide guidance and support to divisions in their management of information over its entire lifecycle, including consideration of risks associated with security, access, privacy, continuity, and cost
- Act as interdepartmental liaison for whole-of-government information initiatives such as implementing standards, information and system interoperability.

Membership

Chair: Stephen Menschelyi General Manager, Strategic Defence Support

Members:

Bridgette Bellenge	r - Northern Australia Development Office
Ann Combe	- Communications and Marketing Bureau
John Netterfield	 Economic and Environment Policy
Lu Steuart	- Social Policy Unit
Abby Collins	- Ministerial Liaison
Hannah Feneley	- Aboriginal Land Strategic Policy Unit
Jason Robertson	 Office of Major Projects Infrastructure and Investment
Camille Lew-Fatt	- Office of the Commissioner for Public Employment

Invitees:

David Ryan	- Corporate Services
Mark Trobbiani	- Department of Corporate and Information Services
Clifton Eliorda	- Department of Corporate and Information Services

IGC met twice this financial year, on 22 December and 9 March 2016. Key outcomes for the IGC this year included:

- Recommending a draft Terms of Reference to the CEO for approval
- Commencing a review of DCM systems with a view to developing a DCM Systems Roadmap.

Workplace Health and Safety Committee

The OCPE is committed to protecting the health and safety of all our workers, contractors, labour hire workers, volunteers and others who may be affected by our business. There were no staff nominations for Health and Safety Representatives, thus the Departmental WHS Steering Committee responsibilities are being met via the Management Board.

Consulting on WHS issues occurs through the involvement of the managers, supervisors and staff to cover the scope and diversity of the agency's activities. Managers and supervisors promote and coordinate consultation with workers who may be affected by health and safety issues for OCPE. Board Meetings and regular team meetings include a standard agenda item for WHS. In 2015-16 OCPE have undertaken an update of WHS documents to meet the current DCIS – OHS Advisory Services templates and standards.

Internal Audit

Under the OCPE's 2015-16 Internal Audit Plan a number of risk based audits were conducted to improve performance or compliance, or a combination of both. The ARMC monitors the OCPE's internal audit function, which includes implementation of the annual Plan as well as the monitoring of audit outcomes, management's responses to and implementation of audit recommendations.

External Audit

The OCPE is subject to the NT Auditor-General's audit program under the powers and responsibilities established by the Audit Act. The ARMC monitors the agency's external audit function, which includes the monitoring of audit outcomes, management's responses to and implementation of audit recommendations.

In 2015-16, the OCPE was selected by the Auditor-General for an Agency Compliance Audit and an End of Year Review with no major matters identified.

Improving Communication within the OCPE

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

Business Division Meetings

Division Directors held regular meetings in 2015-16 to provide information and receive feedback on OCPE issues, as well as meeting on specific issues as the need arose.

Sharing Information

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

Community Engagement

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

Effective external communication is vital to the OCPE. The CPE meets on a regular basis with CEOs and unions and maintains regular contact with Commissioners from other jurisdictions. Following are the key methods of external communication maintained during 2015-16.

Human Resource Management and Development Committee

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

Public Sector Consultative Council

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

HR Forum

The OCPE hosts an HR Forum on a regular basis for HR and non HR practitioners to gain a better understanding of current issues and initiatives. HR Forums cover a range of topics presented by the OCPE, NTPS agencies, and external stakeholders.

Internet

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

Annual Insurance Reporting Requirements

Under the Treasurer's Direction M2.1 Insurance Arrangements, agencies are required to detail the mitigation strategies and processes they have in place to reduce the likelihood or severity of their insurable risks. Insurable risks are risks that are generally related to workers' compensation, assets and inventories, public liability and indemnities. They exclude financial risks and legal costs in action.

In line with the NTG policy, the OCPE self insures for risk exposures under the categories of workers' compensation, property and assets, public liability and indemnities.

Figure 10 – Self Insurance

Workers compensation

- Flexible working arrangements policy was utilised
- Work-life balance strategies were implemented
- Utilise the Employee Assistance Program
- Regular testing of fire systems and alarms, was carried out with annual test evacuation of staff as per legislation
- Early intervention program

Insurance Risk Mitigation Strategies

Indemnities

 Risk assessments completed for all new arrangements

Assets and inventories

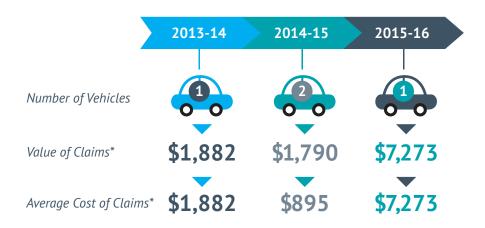
- Asset registers were maintained for fixed, leased and portable and attractive items
- Vehicles regularly serviced and maintained

Public liability

- Repairs and maintenance program to reduce risks associated with physical assets
- Appropriate signage
- Education campaigns for staff and public using facilities

During 2015-16 one one vehicle was repaired for damage. A comparison with the 2013-14 and 2014-15 data is detailed in Figure 11.





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

During 2015-16, there were no workers' compensation claims lodged. A comparison of data from 2013-14 and 2014-15 is detailed in Figure 12.

Figure 12 – Workers' Compensation



Information

Information and Communications Technology

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

Records Management

The OCPE operates in line with the requirements of the Information Act. Records management standards are established through Part 9 of the Act - Records and Archives Management. Section 134 of the Act requires NTPS agencies to manage records in compliance with the NTG records management standards. With the OCPE's relocation, emphasis has been placed on the use of Territory Records Manager (TRM – formerly TRIM) and electronic documents and records management, with a large quantity of physical files also scanned to allow for access to a digital version of files.

Access to Information

The *Information Act* came into effect on 1 July 2003.

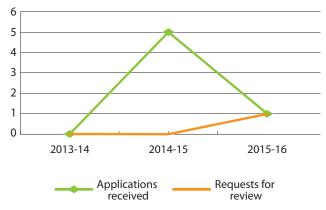
The *Information Act* covers Freedom of Information issues, privacy, records and archives management, and affects how NTPS agencies collect, use and store government and personal information.

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

Applications under the Information Act

In 2015-16 one application for access to information was received and completed within the required 30 days.





Privacy

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

No privacy complaints were received in 2015-16.

OUR PEOPLE

Overview

The Office of the Commissioner for Public Employment (OCPE) is a central agency within the Northern Territory Public Sector (NTPS) with sector-wide responsibility for providing an effective employment framework for the management and development of the NTPS workforce. It does this by providing leadership and guidance in the following matters across the public sector:

- Providing advice to Government on all aspects of human resource issues affecting the public sector
- Identifying emerging issues and providing a strategic focus for collaborative partnerships with Chief Executive Officers (CEOs), supporting CEOs and their agencies to develop relevant human resource management policies and practices and advising them on the implementation of policies and practices
- Representing the interests of the Northern Territory Government in workplace negotiations and tribunal hearings as the statutory employer
- Coordinating sector-wide training and development programs
- Addressing employee concerns through appropriate review and appeal mechanisms.

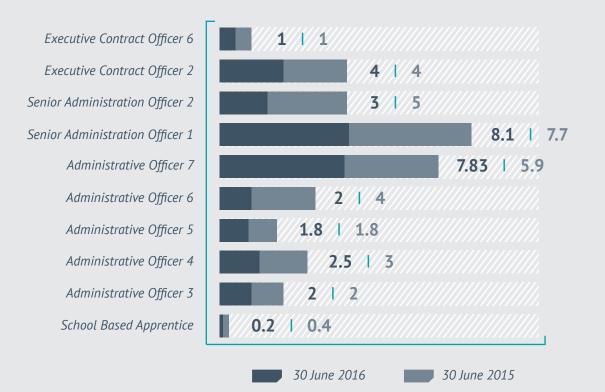
Staffing Profile

Staff Snapshot as at 30 June 2016

As at 30 June 2016, OCPE employed 32.43 FTE employees, compared with 33.80 FTE employees on 30 June 2015.

Figure 14 provides a comprehensive comparison of FTE classifications from June 2015 to June 2016.

Figure 14 – Staffing by Classification



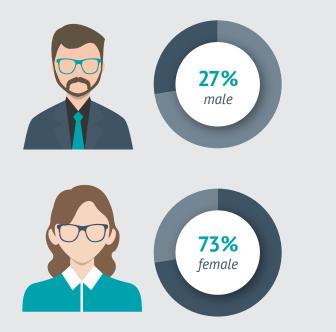
Employment Opportunity (EEO)

The OCPE is strives to reflect a gender balanced and diverse workplace including:

- 73% of our workforce was female
- 27% of our workforce was male
- 16.2% of our workforce identified being Aboriginal or Torres Strait Islander (ATSI)
- 2% of our workforce identified as having a disability.

Figure 15 shows the staff equity and diversity statistics at 30 June 2016.

Figure 15 – OCPE Equity and Diversity Statistics



indigenous indigenous

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

Flexible working arrangements are negotiated including:

- 4 employees worked part-time
- 3 employees were on a Flexible Working Arrangement including home based
- 2 employees used the option of taking recreation or long service leave at half pay
- 1 employee purchased leave usage.

The agency drives the employment and career development for the Northern Territory Public Sector including Indigenous Employment. Indigenous staff represent 16% of the agency's workforce and this decreased by 1% since last financial year. The Northern Territory Government target for Indigenous representation is 16.1%. The agency continued to focus on improving representations through initiatives such as:

- Introducing special measures to recruit Indigenous employees to all advertised positions
- Under the Special Measures Plan the OCPE recruited two Aboriginal and/or Torres Strait Islander employees
- Identifying barriers to career development and progression
- Providing leadership development opportunities to existing Indigenous employees.

Our Values

Values identify what is important in terms of appropriate behaviours in the workplace and how we should interact with others in our everyday work.

The NTPS Values give us a shared understanding of the values that underpin how we work in delivering services to Territorians, promote collaboration and professionalism, guide us in achieving our best performance and set common expectations across the sector for all public servants.

Our values are:

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

Performance Management

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

This performance feedback is provided to all OCPE employees.

Professional Learning and Development Framework

The OCPE invested \$55,447 in training and development for its employees in 2015-16.

Throughout the reporting period, employees participated in the following training and profession development activities :

- Enterprise Bargaining Workshop
- Machinery of Government
- Dispute & Conflict Resolution Workshops
- Public Sector Management Program
- ANZSOG Advancing Leadership Program
- Australian Institute of Company Directors course
- Clear Writing workshop
- Practical Public Policy Design in the NTPS workshop
- Performance Management/Performance Conversations workshops
- Australian Human Resource Institute In-Focus Conference
- Navigating the Public/Political Divide workshop
- Brunei Cultural Awareness training.

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

Support provided includes financial assistance for study fees and paid study leave to attend tutorials, lectures and exams.

In 2015-16 OCPE also supported one employee with four hours release time to undertake undergraduate studies.

Health and Wellbeing

The OCPE is committed to the health and wellbeing of all employees and offered activities and initiatives such as employee assistance program, ergonomic assessments and flu vaccinations.

The OCPE was relocated from Harbour View Plaza to Charles Darwin Centre and all employees now use a vari-desk to promote standing rather than sitting while working in the office. To ensure the desks were set up correctly 10 informal and 13 formal work station assessments were conducted. To provide employees with information on planning for retirement the OCPE held information sessions to NTPS employees that were interested on topics such as superannuation and salary sacrificing.

Figure 16 – Health and Wellbeing Initiatives

Initiative	Number of initiatives accessed
Employee Assistance Program Sessions	2
Ergonomic Assessments	13
Flu Vaccinations	5

Employment Instructions

Under the *Public Sector Employment and Management Act*, Employment Instructions provide direction to agencies on human resource management matters. Section 18 of the Act requires Agencies to report on each Employment Instruction in Agency annual reports. The Office of the Commissioner for Public Employment's performance against each Employment Instruction is reported in Figure 17.

Figure 17 – OCPE Performance Against Employment Instructions

EMPLOYMENT INSTRUCTION AND ANNUAL REPORTING REQUIREMENTS

1. Filling Vacancies

Chief Executive Officers must develop a procedure for the filling of vacancies consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.

AGENCY ACTION IN 2015/2016

Recruitment actions: advertised eight vacancies (permanent and temporary), 17 employees began and 19 separated.

The agency has experienced a decrease of 2 separations compared to same time last year.

No promotion appeal was lodged in 2015-2016.

2. Probation

Chief Executive Officers must develop a probation procedure consistent with the PSEMA, its subordinate legislation and any relevant award or enterprise agreement.

The Agency has reviewed its Probation Policy.

New ongoing employees are advised of the probation process by the Department of Corporate and Information Services (DCIS) as part of their Offer of Employment. The process is explained during induction and information is included in the Agency's information pack for new employees and available on the Agency's intranet.

A system has been implemented to ensure timely finalisation of probation reports.

 Natural Justice
 The principles of natural justice are to be observed in <u>all dealings with employees.</u> The principles of natural justice are observed in all dealings with employees and are reflected in relevant policies and procedures.

EMPLOYMENT INSTRUCTION AND ANNUAL REPORTING REQUIREMENTS

4. Employee Performance Management and Development Systems

Chief Executive Officers must develop and implement an employee performance management and development procedure consistent with the PSEMA, its subordinate legislation and any relevant award or enterprise agreement

AGENCY ACTION IN 2015/2016

The Agency's performance management system, Performance Management Framework, integrates the NTPS' Capability Leadership Framework, the Agency's planning framework and objectives with employees' work priorities. It establishes a link between individual performance and the demonstration of OCPE's Values, and a contribution towards achievement of the priorities and goals of the OCPE's strategic plan.

5. Medical Examinations

Chief Executive Officers may engage a health practitioner in accordance with PSEMA and Employment Instruction Number 3. During 2015-16, no employees were directed to attend medical examinations by approved health practitioners.

6. Performance and Inability

Chief Executive Officers may develop employee performance and inability procedures consistent with the PSEMA, its subordinate legislation and any relevant or enterprise agreement.

Section 18(2) of the PSEMA requires the Commissioner to report annually on the extend which the inability procedures have been invoked in the public sector.

Chief Executive Officers shall provide the Commissioner with the information necessary for the Commissioner to comply with the reporting requirement. The Agency's performance management system CEP provides a framework for managers and staff to document performance improvement required. Human Resource staff support managers to address under-performance issues and help managers and staff in performance improvement efforts.

During 2015-16, no performance or inability action was commenced.

EMPLOYMENT INSTRUCTION AND ANNUAL REPORTING REQUIREMENTS

7. Discipline

Chief Executive Officers may develop discipline procedures consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.

Section 18(2) of the PSEMA requires the Commissioner to report annually on the extent which the inability procedures have been invoked in the public sector.

Chief Executive Officers shall provide the Commissioner with the information necessary for the Commissioner to comply with the reporting requirement.

8. Internal Agency Complaints and Section 59 Grievance Reviews

Agency must develop an internal employee grievance handling policy and procedure consistent with PSEMA, its subordinate legislation and any relevant award or enterprise agreement.

AGENCY ACTION IN 2015/2016

The Agency's discipline policy and procedure is available to all staff on the intranet.

There were no disciplinary actions taken during 2015-16.

The Agency's grievance handling policy and procedure is available to all employees on the intranet. Human Resources provides advice and support to managers and employees in dealing with grievances.

No grievances were lodged in 2015-16.

9. Employment Records

Agency must comply with the requirements of the *Information Act* (NT) regarding correction, collection and handling of personal information contained in an employee's employment record. Employee records are securely maintained by DCIS. The Agency follows NT Government policy regarding access to these files. OCPE's policy for accessing and maintaining employees' records is available via the intranet. Any requests to access employee records are made through the Director of Human Resources.

10. Equality of Employment Opportunity Programs

Agency must develop an Equality of Employment Opportunity Program consistent with PSEMA, its subordinate legislation, the *Anti Discrimination Act* and any relevant award or enterprise agreement. The OCPE is working with Corporate Services to develop a framework of resources which will collectively make up the OCPEs Equal Employment Opportunity plan.

EMPLOYMENT INSTRUCTION AND ANNUAL REPORTING REQUIREMENTS

11. Occupational Health and Safety Standard Programs

Agency must ensure the application of appropriate OHS standards and programs. The agency is also required to provide information in the annual report in relation to OHS programs.

AGENCY ACTION IN 2015/2016

OCPE are meeting the legislative requirements and Employment Instruction Number 11. The move to the new facility has driven the refresh of WHS documents and activities including:

- Conduct of a risk assessment of the new working accommodation
- Updated policies, reporting and procedures
- Confirmed currency of first aid officers and fire wardens training
- Participation on the NTG Charles
 Darwin Centre NTPS WHS Building
 Committee to support staff and
 managers to respond to building wide
 issues and to coordinate the NTPS
 efforts in the new facility.

12. Code of Conduct

The Code of Conduct stipulates the basic level of conduct expected of Public Sector Officers, as defined in PSEMA.

The Agency may issue an agency-specific Code of Conduct that is consistent with the PSEMA. New employees are provided with the NTPS Code of Conduct booklet as part of their commencement package and once again featured as part of the employee induction on commencement. Employees are reminded of their obligations through a range of forums provided during their employment.

In house training sessions promote compliance with NTPS Code of Conduct. Training and the intranet are used to remind employees about accepting gifts and benefits, use of information technology (IT) and other resources, confidentiality, conflicts of interest, outside employment, fraud and ethics, harassment and bullying, health and safety, making public comment, privacy and record keeping.

EMPLOYMENT INSTRUCTION AND ANNUAL REPORTING REQUIREMENTS

13. Appropriate Workplace Behaviour Agency must develop and implement an agency policy and procedure to foster appropriate workplace behaviour and a culture of respect, and to deal effectively with inappropriate workplace behaviour and bullying.

AGENCY ACTION IN 2015/2016

The Agency is committed to providing all employee with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment and discrimination.

Appropriate workplace behaviour policy and procedures feature as part of the employee induction upon commencement for all new employees.

The appropriate workplace behaviour policy and procedures is available to all staff via the intranet.

- ceduresFor 2015-16, the Office of theoloyeeCommissioner for Public Employment hadel ofno redeployees.ctivelysuitable
- **14. Redeployment and Redundancy Procedures** The agency will ensure that a redeployee is provided with an appropriate level of assistance and case management, actively monitor vacancies to identify other suitable employment and refer the redeployee where necessary to potentially suitable vacancies, and assist in the identification of reasonable training and development opportunities to maximise the potential for redeployment.

15. Special Measures

This Employment Instruction sets out the requirements and conditions of approval by the commissioner for Public Employment of agency-special measure programs, plans or arrangements. The Special Measures Plan allows Indigenous applicants to be given preferential consideration before other applicants, in line with the Government's Indigenous Employment and Career Development Strategy 2015-2020 to increase Indigenous employment across the NTPS by 16 per cent by 2020. On 20 January 2015, the agency formally implemented the Special Measures Plan thus demonstrating OCPE's commitment to equality of employment opportunities for Indigenous Australians. As at 30 June 2016, Indigenous staff representation in OCPE was 17%.



FINANCIAL STATEMENTS

FINANCIAL STATEMENT OVERVIEW

For the Year Ended 30 June 2016

Overview

The 2015-16 financial statements and notes for the Office of the Commissioner for Public Employment (the 'agency') have been prepared on an accrual basis and are consistent with the adoption of the Australian equivalent to the international Financial Reporting Standards. The statements provide information on the operating statement, balance sheet, statement of changes in equity and cash flow statement of the agency for the financial year ended 30 June 2016.

For the 2015-16 period, the agency's original budgeted total income and total expenses was \$6.75 million and \$6.76 million respectively. The revised budget for 2015-16 increased total income and total expenses to \$7.18 million and \$7.19 million respectively. The budget variation reflects the increased provision of various training programs to reflect client demand. Where comparisons to budget have been made in this overview, it reflects the final approved budget. Comparisons to the original published budget are included in Note 21.

Key results at year end for the agency were:

- In 2015-16 total agency revenue of \$7.18 million was in line with the approved budget target
- Total agency expenditure of \$6.85 million in 2015-16; \$0.34 million lower than the budgeted target of \$7.19 million due to lower than anticipated expenditure mainly relating to the Employability Program.

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

Comprehensive Operating Statement

Figure 18 – Financial Performance

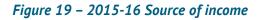
Summary	2015-16 \$M	2014-15 \$M
Operating Income	7.18	6.41
Operating Expenses	6.85	6.43
Net Surplus/(Deficit)	0.33	(0.02)

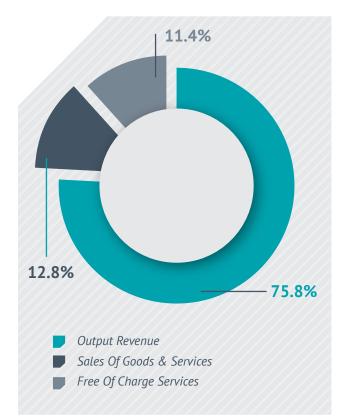
The Operating Statement provides information on the financial performance of the agency during the year. For the year ended 30 June 2016, the agency recorded a surplus of \$0.33 million, predominantly due to timing of expenditure relating to the Employability Program.

Operating Income

The agency was funded primarily through Northern Territory output appropriation of \$5.44 million. Other revenue is derived via the sale of goods and services of \$0.91 million. Goods and services income is derived from the delivery and facilitation of NTG Workforce Development programs which include Discovery Program, Future Leaders Program and Executive Leadership Program. The agency recognises notional revenue for services received free of charge of \$0.82 million through the Department of Corporate Information Services (DCIS) that includes Accounts Payable, Taxation, and Payroll services. This revenue is offset by notional expenditure to the same value.

Total income increased by \$0.77 million in 2015-16 to \$7.18 million compared to 2014-15. The majority of the increase relates to output appropriation which increased by \$0.65 million due to funding relating to the Indigenous Employment and Career Development Strategy. Revenues generated from provision of training services increased by \$0.05 million in 2015-16 from 2014-15.





Operating Expenses

The OCPE's expenses are recognised in three primary categories; employee, administrative and grants. In 2015-16, 64% of total expenditure was related to employees and 36% to administrative expenditure. Grant expenditure in 2015-16 contributed to less than 1% of the total expenditure.

Figure 20 – 2015-16 Expenditure Comparison (\$M)

	Employee 2014-15			
	Employee 2015-16			
	Administrative 201	4-15		
	Administrative 201	5-16		
	Grants & Subsidies	2014-15		
H	Grants & Subsidies	2015-16		
0	1	2	3	4

In 2015-16 the agency incurred personnel expenses of \$4.38 million, an increase of \$0.38 million from 2014-15 attributed to the Indigenous Employment and Career Development Strategy.

Administrative expenses in 2015-16 increased by \$0.03 million to \$2.46 million. This is due to an increase in notional expenditure from services provided by the Department of Corporate and Information Services (DCIS).

Balance Sheet

Figure 21 – Balance Sheet

Summary	2015-16 \$M	2014-15 \$M
Assets	2.98	2.67
Liabilities	0.91	0.93
Equity	2.07	1.74

During the 2015-16 financial year the agency's total assets increased by \$0.31 million from \$2.67 million to \$2.98 million. The increase relates mainly to increase in cash balance that has flowed from the operating surplus.

Statement of Changes in Equity

Figure 22 – Statement of Changes in Equity

Summary	2015-16 \$M	2014-15 \$M
Balance 1 July	1.74	1.76
Accumulated Funds	0.33	(0.02)
Capital	-	-
Balance 30 June	2.07	1.74

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

Total equity in 2015-16 increased by \$0.33 million due to the operating surplus discussed above.

Cash Flow Statement

Figure 23 – Cash Flow Statement

Summary	2015-16 \$M	2014-15 \$M
Balance 1 July	2.55	2.30
Receipts	6.54	5.71
Payments	(6.26)	(5.47)
Equity Withdrawal	-	-
Balance 30 June	2.83	2.55

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

Overall the agency has an increase in unearned revenue received from training programs. This year also showed an increase in receipts from sales of goods and services generated by an increase in training programs.

CERTIFICATION OF THE FINANCIAL STATEMENTS

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

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2016 and the financial position on that date.

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

Craig Allen Commissioner for Public Employment

29 August 2016

David Ryan Chief Financial Officer

29 August 2016

COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2016

	Note	2016	2015
		\$000	\$000
INCOME			
Appropriation			
Output		5 443	4 790
Sales of goods and services			
Interest revenue		911	864
Goods and services received free of charge	4	820	759
Other income		4	2
TOTAL INCOME	3	7 178	6 415
EXPENSES			
Employee expenses		4 384	3 997
Administrative expenses			
Purchases of goods and services	5	1 630	1 650
Repairs and maintenance		1	7
Depreciation and amortisation	9	10	12
Other administrative expenses ¹	6	820	763
Grants and subsidies expenses			
Current		5	5
TOTAL EXPENSES	3	6 850	6 434
NET SURPLUS/(DEFICIT)		328	(19)
OTHER COMPREHENSIVE INCOME			
Changes in accounting policies		-	-
Correction of prior period errors		-	-
Changes in asset revaluation surplus		-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	-
COMPREHENSIVE RESULT		328	(19)

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

¹ Includes DCIS service charges.

BALANCE SHEET

As at 30 June 2016

	Note	2016	2015
		\$000	\$000
ASSETS			
Current Assets			
Cash and deposits	7	2 831	2 545
Receivables	8	33	42
Prepayments		102	63
Total Current Assets		2 966	2 650
Non-Current Assets			
Property, plant and equipment	9,10	11	21
Total Non-Current Assets		11	21
TOTAL ASSETS		2 977	2 671
LIABILITIES			
Current Liabilities			
Payables	11	168	256
Provisions	12	489	507
Other Liabilities	13	95	
Total Current Liabilities		752	763
Non-Current Liabilities			
Provisions	12	156	167
Total Non-Current Liabilities		156	167
TOTAL LIABILITIES		908	930
NET ASSETS		2 069	1 741
EQUITY			
Capital		(1 199)	(1 199)
Accumulated funds		3 268	2 940
TOTAL EQUITY		2 069	1 741

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

				Transactions with owners in	
		Equity at 1	Comprehensive	their capacity	Equity at 30
	Note	July	result	as owners	June
		\$000	\$000	\$000	\$000
2015-16					
Accumulated Funds		2 940	328	-	3 268
Changes in accounting po	licy	-	-	-	-
Correction of prior period	errors	-	-	-	-
		2 940	328	-	3 268
Capital – Transactions wit	h Owners				
Equity injections		861			861
Capital appropriation Equity transfers in		1 060	-	-	1 060
Other equity injections		1 0 0 0 1 6 1	-	-	161
Equity withdrawals		101	-	-	101
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		(297)	-	-	(297)
		(1 199)	-	-	(1 199)
Total Equity at End of Financial Year		1 741	328	-	2 069
2014-15					
Accumulated Funds		2 959	(19)	-	2 940
Changes in accounting po	licy	-	-	-	-
Correction of prior period	errors	-	-	-	-
		2 959	(19)	-	2 940
Capital – Transactions wit Equity injections	h Owners				
Capital appropriation		861	-	-	861
Equity transfers in		1 056	-	4	1 060
Other equity injections		161	-	-	161
Equity withdrawals					
Capital withdrawal		(2 984)	-	-	(2 984)
Equity transfers out		(297)	-		(297)
		(1 203)	-	4	(1 199)
Total Equity at End of Financial Year		1 756	(19)	4	1 741

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

CASH FLOW STATEMENT

For the year ended 30 June 2016

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Net Cash From/(Used in) Financing Activities -	-	-		
	246			
Cash at beginning of financial year 2 545	2 2 9 9			
CASH AT END OF FINANCIAL YEAR72 831	2 299 2 545		7	

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

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2016

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NOTES TO THE FINANCIAL STATEMENTS

1. Objectives and Funding

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

Key functional responsibilities are:

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

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

2. Statement of Significant Accounting Policies

a) Statement of Compliance

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

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; 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 also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

The following new and revised accounting standards and interpretations were effective for the first time in 2015-16:

AASB 1048 Interpretation of Standards

This reflects amended versions of Interpretations arising in relation to amendments to AASB 9 Financial Instruments and consequential amendments arising from the issuance of AASB 15 Revenue from Contracts with Customers. The standard does not impact the financial statements.

AASB 2013-9 Amendments to Australian Accounting Standards [Part C Financial Instruments]

Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge accounting and makes consequential amendments to AASB 9 and numerous other Standards. The standard does not impact the financial statements.

AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9

This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010). These amendments arise from the issuance of AASB 9 Financial Instruments in December 2014. The standard does not impact the financial statements.

AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality

The standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing the standard to effectively be withdrawn. The standard does not impact the financial statements.

AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

Amendments are made to AASB 128 Investments in Associates and Joint ventures to require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities. The standard does not impact the financial statements.

AASB 2014-1 Amendments to Australian Accounting Standards (Part E - Financial Instruments)

Part E of this Standard defers the application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. The standard does not impact the financial statements. The following standards and interpretations are likely to have an insignificant impact on the financial statements for future reporting periods, but the exact impact is yet to be determined:

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments (December 2014), AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 January 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2018
AASB 1056 Superannuation Entities	1 January 2018
AASB 1057 Application of Accounting Standards	1 January 2016
AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11]	1 January 2016
AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs [AASB 8, 133 and 1057]	1 January 2016
AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128	1 January 2016

The following standards and interpretations are expected to have a potential impact on the financial statements for future reporting periods:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 and 1049]	1 July 2016	New note disclosure to include remuneration of Key Management Personnel (KMP) and related party transactions.
2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	New disclosure on the reconciliation of the changes in liabilities arising from financing activities
AASB 16 Leases	1 January 2019	Reclassification of operating leases greater than 12 months to finance lease reporting requirements

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 9 Financial Instruments	1 January 2018	Simplified requirements for classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier as opposed to only when incurred
AASB 15 Revenue from Contracts with Customers	1 January 2018	Requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	1 January 2018	Amends various AAS's to reflect the deferral of the mandatory application date of AASB 9
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 and AASB 138]	1 January 2016	Provides additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated and clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2017	Amends the measurement of trade receivables and the recognition of dividends.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	Amends various AAS's to reflect the changes as a result of AASB 9

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 2015-1 Amendments to	1 January 2016	The amendments
Australian Accounting Standards -		include AASB 5
Annual Improvements to Australian		change in methods
Accounting Standards 2012-14 Cycle		of disposal; AASB 7
[AASB 1, 2, 3,5, 7, 11, 110, 119, 121,		Servicing contracts
133, 134,137 and 140]		and applicability of the
		amendments to AASB
		7 to condensed interim
		financial statements;
		AASB 119 Discount
		rate: regional market
		issue and AASB 134
		Disclosure of information
		'elsewhere in the interim
		financial report.

c) Reporting Entity

The financial statements cover the Department as an individual reporting entity. The Office of the Commissioner for Public Employment ("the Department") is a Northern Territory department established under the *Interpretation Act Administrative Arrangements Order*.

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

d) Agency and Territory Items

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

Central Holding Authority

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

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

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

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

e) Comparatives

Where necessary, comparative information for the 2014-15 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 2015-16 as a result of management decisions.

h) Accounting Judgments and Estimates

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

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

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

- Employee Benefits Note 2(v) and Note 12: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service
- Property, Plant and Equipment Note 2(q): The fair value of land, building, infrastructure and property, plant and equipment are determined on significant assumptions of the exit price and risks in the perspective market participant, using the best information available
- Contingent Liabilities Note 17: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate
- Allowance for Impairment Losses Note 2(o), Note 8: Receivables and Note 15: Financial Instruments. The allowance represents debts that are likely to be uncollectible and are considered doubtful. Debtors are grouped according to their aging profile and history of previous financial difficulties
- Depreciation and Amortisation Note 2(l) and Note 9: 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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

j) 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. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

Grants and Other Contributions

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

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

Appropriation

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

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

Sale of Goods

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

- The significant risks and rewards of ownership of the goods have transferred to the buyer
- The agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold

- The amount of revenue can be reliably measured
- It is probable that the economic benefits associated with the transaction will flow to the agency
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

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

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

Interest Revenue

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

Goods and Services Received Free of Charge

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

Disposal of Assets

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

Contributions of Assets

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

k) 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:

	2016	2015
Plant and Equipment	5 years	5 years

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

m) Interest Expense

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

n) Cash and Deposits

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

o) Receivables

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 15 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.

p) 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.

q) Property, Plant and Equipment

Acquisitions

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

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

Complex Assets

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

Subsequent Additional Costs

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

Construction (Work in Progress)

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

r) Revaluations and Impairment

Revaluation of Assets

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

- Land
- Buildings
- Infrastructure assets
- Heritage and cultural assets
- Biological assets
- Intangibles.

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

Impairment of Assets

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

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

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

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

s) Assets Held for Sale

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

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

t) 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.

u) Payables

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

v) 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
- 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 agency and as such no long service leave liability is recognised in agency financial statements.

w) Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS)
- Commonwealth Superannuation Scheme (CSS)
- Non-government employee-nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in agency financial statements.

x) 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.

y) Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 16.

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

z) Financial Instruments

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

Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits; receivables; advances; investments loan and placements; payables; advances received; borrowings and derivatives.

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

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

Classification of Financial Instruments

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

Financial assets are classified into the following categories:

- Financial assets at fair value through profit or loss
- Held-to-maturity investments
- Loans and receivables
- Available-for-sale financial assets.

Financial liabilities are classified into the following categories:

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

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

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

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

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

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

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise
- The instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis
- 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.

Held-to-Maturity Investments

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

Loans and Receivables

For details refer to Note 2 (o), but exclude statutory receivables.

Available-for-Sale Financial Assets

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

Financial Liabilities at Amortised Cost

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

Derivatives

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

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

Netting of Swap Transactions

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

Note 15 provides additional information on financial instruments.

aa) Fair Value Measurement

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

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

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

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

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

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

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

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

Level 3 – inputs are unobservable.

3. Comprehensive Operating Statement by Output Group

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		Employme	Employment Services	Corporate a	Corporate and Governance		Total
	Note	2016	2015	2016	2015	2016	2015
		\$000	\$000	\$000	\$000	\$000	\$000
INCOME							
Grants and subsidies revenue		I	ı	I	I	I	I
Current		I		I	I	I	I
Appropriation							
Output		4 518	3 791	925	666	5 443	4 790
Sales of goods and services		911	864			911	864
Goods and services received free of charge	4	774	698	46	61	820	759
Other income		4			2	4	2
TOTAL INCOME		6 207	5 353	971	1 063	7 178	6 415
EXPENSES							
Employee expenses		3889	3523	495	473	4384	3997
Administrative expenses							
Purchases of goods and services	5	1126	1128	504	522	1630	1650
Repairs and maintenance			7		1	1	7
Depreciation and amortisation	6	3	9	7	9	10	12
Other administrative expenses ¹	9	774	696	46	67	820	763
Grants and subsidies expenses							
Current		5	5			5	5
TOTAL EXPENSES		5 798	5 365	1 052	1 069	6 850	6 434
NET SURPLUS/(DEFICIT)		409	(12)	(81)	(9)	328	(19)

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements. ¹ Includes DCIS service charges.

	2016	2015
	\$000	\$000
4. Goods and Services Received Free of Charge		
Department of Corporate and Information Services	820	759
	820	759
5. Purchases of Goods and Services		
The net surplus/(deficit) has been arrived at after charging the followin	g expenses:	
Goods and services expenses:		

Consultants ¹	168	139
Advertising ²	1	1
Marketing and promotion ³	39	13
Document production	18	19
Legal expenses ⁴	1	13
Recruitment ⁵	7	-
Training and study	351	403
Official duty fares	44	29
Travelling allowance	9	5
	638	622

¹ Includes marketing, promotion and IT consultants.

² Does not include recruitment, advertising or marketing and promotion advertising.

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

⁴ Includes legal fees, claim and settlement costs.

⁵ Includes recruitment-related advertising costs.

6. Other Administrative Expenses

Assets Written Down	-	2
Assets Donated and Gifted	-	-
Doubtful Debt Expense	-	2
Goods and Services Received Free of Charge	820	759
	820	763

7. Cash and Deposits

Cash on hand	-	1
Cash at bank	2 831	2 544
	2 831	2 545

	2016	2015
	\$000	\$000
8. Receivables		
Current		
Accounts receivable	7	3 17
Less: Allowance for impairment losses		
	3	5 17
GST receivables	30) 25
Other receivables		
	30	25
Non-Current		
Other receivables		
Total Receivables	33	4 2

9. Property, Plant and Equipment

Plant and Equipment		
At fair value	95	385
Less: Accumulated depreciation	(85)	(364)
	11	21

Property, Plant and Equipment Valuations

Refer to Note 10: Fair Value Measurement of Non-Financial Assets for additional disclosures.

Impairment of Property, Plant and Equipment

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2016. No impairment adjustments were required as a result of this review.



9. Property, Plant and Equipment (continued)

2016 Property, Plant and Equipment Reconciliations

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

	Land	Buildings	Land Buildings Infrastructure	Construction (Work in Progress)	Plant and Equipment	Leased Plant and Property, Plant Equipment and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2015	I	I	I	ı	21	I	21
Additions	I	I	I	I	I	ı	I
Disposals	I	I	I	I	I	I	I
Depreciation	I	ı	I	I	(10)	I	(10)
Additions/(Disposals) from asset transfers	I	I	I	I	I	ı	ı
Carrying Amount as at 30 June 2016					11		11

2015 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2014-15 is set out below:

				Construction		Leased	
				(Work in	Plant and	Plant and Property, Plant	
	Land	Buildings	Land Buildings Infrastructure	Progress)	Equipment	Equipment and Equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2014	I	I	I	I	21	I	21
Additions	I	I	I	I	13	I	13
Disposals	I	I	I	I	(2)	I	(2)
Depreciation	I	I	I	I	(12)	I	(12)
Additions/(Disposals) from asset transfers	I	I	I	I	I	I	I
Carrying Amount as at 30 June 2015	1	1	I	I	21	T	21

10. Fair value measurement of non-financial assets

a) Fair Value Hierarchy

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

	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
2015-16				
Asset Classes				
Property, Plant and Equipment (Note 9)			11	11
Total			11	11
2014-15				
Asset Classes				
Property, Plant and Equipment (Note 9)			21	21
Total			21	21

There were no transfers between Level 1, Level 2 or Level 3 during 2015-16.

b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2015-16 are:

	Level 2 Techniques	Level 3 Techniques	
Asset Classes			
Property, Plant and Equipment		Cost Approach	

There were no changes in valuation techniques from 2014-15 to 2015-16.

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

c) Additional Information for Level 3 Fair Value Measurements

(i) Reconciliation of Recurring Level 3 Fair Value Measurements

	Land	Buildings	Infrastructure	Property, Plant and Equipment
	\$000	\$000	\$000	\$000
2015-16				
Fair value as at 1 July 2015				21
Additions				
Disposals				
Transfers from Level 2				
Transfers to Level 2				
Depreciation				(10)
Gains/losses recognised in net surplus/deficit				
Fair value as at 30 June 2016				11

2014-15	
Fair value as at 1 July 2014	21
Additions	13
Disposals	
Transfers from Level 2	
Transfers to Level 2	
Depreciation	(12)
Gains/losses recognised in net surplus/deficit	(2)
Fair value as at 30 June 2014	21



(ii) Sensitivity analysis

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

	2016	2015
	\$000	\$000
11. Payables		
Accounts payable	122	117
Accrued expenses	47	139
Other payables	-	-
Total Payables	168	256
12. Provisions		
Current		
Employee benefits		
Recreation Leave and airfares	365	368
Leave loading	50	51
Other employee benefits		-
	415	419
Other current provisions		-
Fringe benefit tax	9	8
Payroll tax	32	39
Superannuation	32	41
Total Current	73 489	88 507
iotat current	489	507
Non-Current		
Employee benefits		
Recreation leave	156	167
	156	167
Total Provisions	645	674

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	2016	2015
	\$000	\$000
Reconciliations of Provisions		
Fringe Benefits Tax		
Balance as at 1 July	8	9
Additional provisions recognised	34	38
Reductions arising from payments	(33)	(39)
Balance as at 30 June	9	8
Reconciliations of Provisions		
Payroll Tax		
Balance as at 1 July	39	26
Additional provisions recognised	32	39
Reductions arising from payments	(39)	(26)
Balance as at 30 June	32	39
Reconciliations of Provisions		
Superannuation		
Balance as at 1 July	41	30
Additional provisions recognised	1	41
Reductions arising from payments	(10)	(30)
Balance as at 30 June	32	41

The Agency employed 32.43 employees as at 30 June 2016 (33.8 employees as at 30 June 2015).

13. Other Liabilities

Current		
Unearned revenue	95	-
	95	-
Total Other Liabilities	95	-

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14. Notes To The Cash Flow Statement

Reconciliation of Cash

The total of agency 'Cash and deposits' of \$2 830 986 recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

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

	2016	2015
	\$000	\$000
Net Surplus/(Deficit)	328	(19)
Non-cash items:		
Depreciation and amortisation	10	12
Asset write-offs/write-downs	-	2
Repairs and Maintenance - Minor New Work Non Cash	-	3
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	9	(19)
Decrease/(Increase) in prepayments	(39)	16
(Decrease)/Increase in payables	(88)	55
(Decrease)/Increase in provision for employee benefits	(14)	188
(Decrease)/Increase in other provisions	(15)	22
(Decrease)/Increase in other deferred income	95	-
Net Cash from Operating Activities	286	259

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15. Financial Instruments

Financial instruments held by the agency include cash and deposits, receivables, payables and finance leases. The agency has limited exposure to 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 risks as discussed below

a) Categorisation of Financial Instruments

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

	Fair valu profit	Fair value through profit or loss	Hald to	Financial assets -	Financial assets -	Financial Liabilities		
	Held for trading	Designated at fair value		Loans and receivables	available for sale	- amortised cost	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2015-16 Categorisation of Financial Instruments:	cial Instrumen	its:						
Cash and deposits							2831	2831
Receivables ¹				33				33
Total Financial Assets								2 864
$Payables^1$						(158)		(158)
Total Financial Liabilities								(158)
2014-15 Categorisation of Financial Instruments:	cial Instrumen	its:						
Cash and deposits							2 545	2 545
Receivables ¹				42				42
Total Financial Assets								2 587
Payables ¹						(246)		(246)
Total Financial Liabilities								(246)

¹ Total amounts disclosed here exclude statutory amounts

b) Credit Risk

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

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

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.

	Ageing of Receivables	Ageing of Impaired Receivables	Net Receivables
Internal Receivables	\$000	\$000	\$000
2015-16			
Not overdue	3		3
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days			
Total	3		3
2014-15			
Not overdue			
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days			
Total			
External Receivables			
2015-16			
Not overdue			
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days			
Total			
2014-15			
Not overdue	17		17
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days			
Total	17		17

c) Liquidity Risk

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

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

		Interest	Bearing				
	Fixed or variable	Less than a Year	1 to 5 Years	More than 5 Years	Non- Interest Bearing	Total	Weighted Average %
	\$000	\$000	\$000	\$000	\$000	\$000	
2016 Maturity analysis	s for financ	ial assets a	nd liabiliti	es			
Assets							
Cash and deposits					2 831	2 831	
Receivables					33	33	
Total Financial					2 864	2 864	
Assets					2 004	2 004	
Liabilities							
Payables					(168)	(168)	
Total Financial Liabilities					(168)	(168)	

2015 Maturity analysis for financial assets and liabilities

Assets					
Cash and deposits			2 545	2 545	
Receivables			42	42	
Total Financial Assets			2 587	2 587	
Liabilities					
Payables			(256)	(256)	
Total Financial Liabilities			(256)	(256)	

d) Market Risk

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

(i) Interest Rate Risk

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

(ii) Price Risk

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

(iii) Currency Risk

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

e) Net Fair Value

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

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

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

	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$000	\$000	\$000	\$000	\$000
2016					
Financial Assets					
Cash and Deposits	2 831	2 831			2 831
Receivables	33	33			33
Total Financial Assets	2 864	2 864			2 864
Financial Liabilities					
Payables	(168)	(168)			(168)
Total Financial Liabilities	(168)	(168)			(168)
2015					
Financial Assets					
Cash and Deposits	2 545	2 545			2 545
Receivables	42	42			42
Total Financial Assets	2 587	2 587			2 587
Financial Liabilities					
Payables	(256)	(256)			(256)
Total Financial Liabilities	(256)	(256)			(256)

16. Commitments

	20	16	6 201	
	Internal	External	Internal	External
	\$000	\$000	\$000	\$000
Operating Lease Commitments				
The agency leases property under non-cancellable				
operating leases expiring from one to three years.				
Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated.				
The agency also leases items of plant and equipment				
under non-cancellable operating leases. Future				
operating lease commitments not recognised as				
liabilities are payable as follows:				
Within one year	41	2	38	3
Later than one year and not later than five years	34		54	2
Later than five years	-	-	-	-
	75	2	92	6
Other Expenditure Commitments				
Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:				
Within one year	-	24	-	-
Later than one year and not later than five years	-	-	-	-
	-	24	-	-

17. Contingent Liabilities and Contingent Assets

The agency had no known material contingent liabilities or contingent assets as at 30 June 2016.

18. 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.

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

•				
	Agency		Age	ncy
	2016 No. of Tra	ans.	2015 No.	of Trans.
	\$000		\$0	
Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i>	<i></i>			
Represented by:				
Amounts written off, postponed and waived by Delegates				
Irrecoverable amounts payable to the Territory or an agency written off	-	-	2	1
Losses or deficiencies of money written off	-	-	-	-
Public property written off	-	-	2	1
Waiver or postponement of right to receive or recover money or property	-	-	-	-
Total Written Off, Postponed and Waived by Delegates	-	-	4	2
Amounts written off, postponed and waived by the Treasurer Irrecoverable amounts payable to the Territory or an agency written off Losses or deficiencies of money written off Public property written off Waiver or postponement of right to receive or recover money or property Total Written Off, Postponed and Waived by the Treasurer Write-offs, Postponements and Waivers Authorised		-	-	
Under Other Legislation Gifts Under the <i>Financial Management Act</i> Gifts Authorised Under Other Legislation Ex Gratia Payments Under the <i>Financial</i> <i>Management Act</i>	-	-	-	-

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20. Schedule of Administered Territory Items

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

21. Budgetary Information

Comprehensive Operating Statement	2015-16 Actual	2015-16 Original Budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Appropriation				
Output	5 443	5 296	147	
Sales of goods and services	911	698	213	1
Goods and services received free of charge	820	755	65	
Other income	4	-	4	
TOTAL INCOME	7 178	6 749	429	
EXPENSES				
Employee expenses	4 384	4 262	122	
Administrative expenses				
Purchases of goods and services	1 630	1 714	(84)	
Repairs and maintenance	1	10	(9)	
Depreciation and amortisation	10	7	3	
Other administrative expenses	820	755	65	
Grants and subsidies expenses				
Current	5	8	(3)	
Total Expenses	6 850	6 7 5 6	94	2
Net Surplus/(Deficit)	328	(7)	335	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net surplus/deficit				
Changes in accounting policies	-	-	-	
Correction of prior period errors	-	-	-	
Changes in asset revaluation surplus	-	-	-	
TOTAL OTHER COMPREHENSIVE INCOME	-	-	-	
COMPREHENSIVE RESULT	328	(7)	335	

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

(1) Increase is predominantly due to the uptake in training programs.

(2) Increase in total expenditure relates to additional training programs undertaken and reflected in the revised May 2016 Budget.

21. Budgetary Information (continued)

Balance Sheet	2015-16 Actual	2015-16 Original Budget	Variance	Note
Summer Sheet	\$000	\$000	\$000	Hote
ASSETS				
Cash and deposits	2 831	2 285	546	1
Receivables	33	23	10	
Prepayments	102	79	23	
Total current assets	2 966	2 387	579	
Non-current assets				
Property, plant and equipment	11	4	7	
Total non-current assets	11	4	7	
TOTAL ASSETS	2 977	2 391	586	
LIABILITIES				
Current liabilities				
Payables	168	202	(34)	
Provisions	489	465	24	
Other liabilities	95	-	95	
Total current liabilities	752	667	85	
Non-current liabilities				
Provisions	156	-	156	
Total non-current liabilities	156	-	156	
TOTAL LIABILITIES	908	667	241	
NET ASSETS	2 069	1 724	345	
EQUITY				
Capital	(1 199)	(1 200)	1	
Accumulated funds	3 268	2 924	344	
TOTAL EQUITY	2 069	1 724	345	

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

(1) Increase is predominantly due to revenue and unearned revenue relating to training programs.

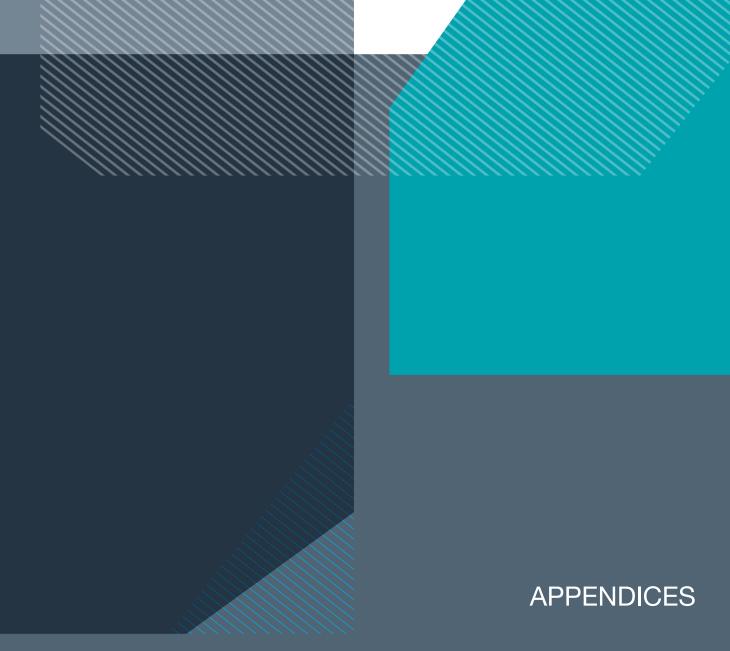
21. Budgetary Information (continued)

	2015-16	2015-16 Original		
Cash Flow Statement	Actual	Budget	Variance	Note
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Appropriation				
Output	5 443	5 296	147	
Receipts from sales of goods and services	1 099	698	401	1
Total operating receipts	6 542	5 994	548	
Operating payments				
Payments to employees	4 518	4 262	256	2
Payments for goods and services	1 734	1724	10	
Grants and subsidies paid				
Current	5	8	(3)	
Total operating payments	6 256	5 994	263	
Net cash from/(used in) operating activities	286	-	285	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	-	-	-	
Total investing receipts	-	-	-	
Investing payments				
Purchases of assets				
Total investing payments				
Net cash from/(used in) investing activities				
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Equity injections				
Capital appropriation	-	-	-	
Other equity injections	-	-	-	
Total financing receipts	-	-	-	
Financing payments				
Equity withdrawals	-	-	-	
Total financing payments	-	-	-	
Net cash from/(used in) financing activities	-	-	-	
Net increase/(decrease) in cash held	286	-	286	
Cash at beginning of financial year	2 545	2 285	260	
CASH AT END OF FINANCIAL YEAR	2 831	2 285	546	
				_

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

(1) Increase is predominantly due to the uptake in training programs.

(2) Increase is predominantly due to additional staff relating to the Indigenous Employment and Career Development program and reduction in employee provisions.





BOARDS AND COMMITTEES ON WHICH THE OCPE IS REPRESENTED

National

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

Northern Territory

- Audit and Risk Management Committee
- Executive Remuneration Review Panel
- Human Resource Management and Development Committee
- Information Management Committee
- Interdepartmental Committee on Corporate Taxation and Superannuation
- NTG CFO Forum
- NTG Heads of Corporate
- NTPS Coordination Committee
- Public Sector Appeals Board
- Public Sector Consultative Council
- Regional Counter Disaster Committee
- Work Health and Safety Committee
- Information Governance Committee.

Central Australia

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

FEEDBACK FORM

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We welcome your feedback on the OCPE Annual Report 2015-16. Your comments and suggestions will be used in the development of future reports.

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

Excellent	Good	Satisfactory	Poor		
Overall impression					
Presentation and design					
Easy to read and understand					
Content/information					
Which areas of the report were most useful?	Please indi	cate where you are fro	im:		
	NT Gove	rnment			
	Education	on or research instituti	on		
	🗖 Commur	nity member or organis	sation		
	🗖 Australia	an Government			
Does the report contain the information you	🗖 Industry				
required?	Other St	ate or Territory govern	iment		
🗆 Yes 🔲 No	Private sector				
If no, please list suggested information to be included in future reports.		rn your completed fee mail, post, or facsimile			
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How do you think the report could be improved?					

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