



Human Rights Commission
Te Kāhui Tika Tangata

Annual Report

Pūrongo ā Tau

2017 / 18

Human Rights Commission
Te Kāhui Tika Tangata

The Office of Human Rights Proceedings
Te Tari Whakatau Take Tika Tangata





Report of the

Human Rights Commission Te Kāhui Tika Tangata

And

The Office of Human Rights Proceedings Te Tari Whakatau Take Tika Tangata

For the year ended 30 June 2018

Presented to the House of Representatives pursuant
to section 150 of the Crown Entities Act 2004

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The Hon. Minister of Justice

Minister

Pursuant to section 150 of the Crown Entities Act 2004, I hereby transmit to you the Annual Report of the Human Rights Commission for the year ended 30 June 2018.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Paula Tesoriero', with a stylized flourish at the end.

Paula Tesoriero MNZM

Acting Chief Commissioner

Te Amokapua (rangitahi)

The Hon. Minister of Justice

Minister

At pages 42 to 46 of this Annual Report, the Director of Human Rights Proceedings reports to the Hon. Minister of Justice on the Director's decisions for the year ended 30 June 2018, pursuant to section 92A(4) of the Human Rights Act 1993.

Yours faithfully



Robert Kee

Director of Human Rights Proceedings
Tumuaki Whakatau Take Tika Tangata



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Contents

Foreword
Wāhinga kōrero

5

What the Commission
is and what it does
Ko wai mātou, ā,
he aha tā mātou mahi?

11

Year in review
Arotakenga ā Tau

17

Enquiries and complaints
Ngā Pātai me ngā Amuamu

34

The Office of Human Rights
Proceedings
Te Tari Whakatau
Take Tika Tangata

42

Organisational health
and capability
Te kaha ora o te Kāhui
Tika Tangata

47

Financial Statements
Tauākī pūtea

57

Independent
Auditor's Report
Pūrongo arotake

78

Foreword

Wāhinga kōrero

Delivering outcomes for New Zealanders

The Human Rights Commission has continued its work of protecting and promoting human rights and harmonious relations in New Zealand.

This progress was achieved through effective delivery of our core work programmes and projects across four human rights areas: Inclusive and Just Society; Harmonious Relations; Business and Human Rights; and Human Rights Mandate.

The work of the Commissioners and our dedicated staff has seen progress in advancing the human rights of New Zealanders.

A significant piece of work during the past year was the strong advocacy by the Commission and other parties for an independent inquiry into the abuse of people held in state care. The Royal Commission of Inquiry into Historical Abuse in State Care, announced by the Government in February, reflected the strong case made by the Commission and the other groups working on this issue.

The Commission's *Give Nothing to Racism* campaign video, featuring 2016 New Zealander of the Year Taika Waititi, went viral internationally and helped reset the discussion of our attitudes to race within New Zealand. The campaign was the most visible component of our work supporting a more diverse and inclusive society for international students, new migrants and refugees.

The Commission continued to consult with, and advocate for, the rights of women, particularly in the areas of pay parity and gender equality in the workforce and ending gender-based violence. The Commission launched its Tracking Equality at Work webtool in June, which shows that women, particularly young Māori and Pasifika women and women with disabilities, have higher rates of unemployment and under-employment and lower rates of labour-force participation.

There has been a sharp decline in women in senior private sector management roles, and New Zealand lags behind many other countries in this area.

To improve outcomes for disabled New Zealanders, the Commission worked with inclusive education stakeholders to ensure the voices of people with disabilities were heard at the Government's education summits in May and ongoing education reforms.

A significant amount of work has gone into starting to research New Zealanders' attitudes about disability and to collecting disability data. The Commission is an active partner with Statistics New Zealand and the Office of Disability Issues in the development of a measurement framework to better track improvements for disabled people.

The *Proud to be Me* campaign in November celebrated the lives of New Zealanders with disabilities and opened up discussion about disability,

identity and pride. Twenty-four percent of New Zealanders identify as having a disability.

In partnership with the Office of the Children's Commissioner and the New Zealand School Trustees Association, the Commission led the development of a pilot independent process for students and their families who wish to appeal an exclusion or expulsion from school. The pilot programme is expected to be rolled out in three school regions in 2019.

The Enquiries and Complaints team dealt with 6304 new human rights enquiries and complaints, an increase of 1075 on the previous year.

The human rights issues facing Pasifika people were identified and discussed at five Pasifika community 'Uipa'anga/fonotaga held around the country. The Commission also carried out an independent audit as part of a plan to improve how the enquiries and complaints process serves the Pasifika community. The audit was prompted by the low level of complaints from Pasifika people.

The Commission's ongoing relationship with the Department of Corrections helped shape the *Department's Management of Transgender Prisoners* policy.

The Canterbury Earthquakes Insurance Tribunal Bill, which is before Parliament and would establish a bespoke insurance tribunal, reflected the Commission's recommendations from the *Staying in the Red Zones* report, released in 2016. The report on the red-zoning process in Canterbury found that the reduced offers to owners of vacant sections, commercial and uninsured residential properties – and the delay in providing offers and then revising them – had added to the stress owners faced.

With the rapid advance of digital technology and increasing surveillance in our society, data and privacy issues are becoming more relevant. The Commission wants to ensure that human rights standards and principles guide legal and policy frameworks in responding to these issues. The Commission published an extensive reference paper, *Privacy, Data and Technology: Human Rights Challenges in the Digital Age*, as a guide for policy-makers and the public on the complex human rights and legal frameworks in this area.

The Commission's legal intervention work continues to have an impact on human rights jurisprudence in New Zealand. The Commission participated as an intervener in a landmark Supreme Court case in which the Court considered whether New Zealand's higher courts have jurisdiction to declare a statute inconsistent with the Bill of Rights Act (BORA). Our submission, which we had made successfully in the Court of Appeal, supported the argument in favour of courts having jurisdiction. However, while the Supreme Court's decision is pending, the Cabinet has agreed in principle to allow the courts to make a declaration of inconsistency if they believe that legislation is not consistent with the BORA.

The Commission also appeared as an intervener in an important High Court case that considered whether two offensive newspaper cartoons breached the Human Rights Act by inciting racial disharmony. The case involved a careful balancing of the rights to freedom of expression and protection from discrimination.

The Commission lodged more than 30 submissions on new legislation and policy proposals. The Commission also appeared before Parliamentary select committees on several occasions, including appearances on the Child Poverty Reduction Bill, the End of Life Choices Bill and the Privacy Bill.

The Commission also undertook a considerable amount of international human rights monitoring work concerning New Zealand's periodic reporting in meeting its international human rights treaty obligations.

Further to this work, Commissioners and staff attended New Zealand's periodic reviews by the UN Committee on the Elimination of Racial Discrimination and the Committee on Economic, Social and Cultural Rights. The Commission also participated in other international human rights fora relating to sport, the rights of persons with disabilities and the status of women.

Responding to the Ministerial Review

It has been a year of change within the Commission as it received, and began to address the recommendations made by retired Judge Coral Shaw ("the Shaw Report").

The Ministerial Review was announced by Justice Minister Andrew Little in February following publicity about an internal sexual harassment complaint.

While positive about the Commission's external work, the Shaw Report identified shortcomings in the systems and processes for investigating and resolving internal sexual harassment complaints. It also identified issues with the Commission's organisational culture; approach to governance and management; and policies and systems within the organisation.

A senior manager has been appointed to lead the response to the recommendations. She is working closely with Commissioners, the Chief Executive and a review group made up of staff members, including Public Service Association (PSA) delegates.

The past year has been a testing one for staff, and the Board would like to thank everyone at the Commission for continuing to deliver high quality work during this time.

Looking ahead

The Shaw Report identified that the Commission's baseline funding has not been reviewed since Budget 2007. As a result, the report found there was a chronic lack of resources required for the Commission to deliver its work, and its ability to fund activity from reserves was limited. A key activity in the coming year will be completing a review of baseline funding to ensure the long-term financial stability of the Commission to ensure it has the necessary funding to function effectively as New Zealand's national human rights institution.

The Commission will continue to advocate for the status of the Treaty of Waitangi; to eradicate family violence; discrimination and inequality; to close the gender pay gap; combat child poverty; and protect the rights to housing, health and education.

The rights of disabled people, who remain socially and economically disadvantaged, will also be a focus area for the Commission.

As part of its indigenous and Treaty of Waitangi rights work, the Commission will continue to advocate for better outcomes for Māori.

In early 2019, New Zealand's human rights record will be reviewed by the United Nations Human Rights Council as part of the Universal Periodic Review (UPR). The recommendations from New Zealand's 2014 UPR formed the basis for our current National Action Plan on Human Rights (NPA). We expect that the recommendations from New Zealand's third UPR will form the basis for the next iteration of the NPA.

Organisational changes

Disability Rights Commissioner Paula Tesoriero, who was appointed in mid-2017, took over as the acting Chief Human Rights Commissioner on 25 May 2018 and continues in the role until a new Chief Commissioner is appointed.

This followed the decision of the former Chief Human Rights Commissioner David Rutherford to leave the Commission at the end of the financial year in June. Mr Rutherford had been Chief Commissioner since 2011 and his term expired in 2016.

Race Relations Commissioner Dame Susan Devoy's term expired in March 2018. She did not seek reappointment and left the Commission at the end of June.

Equal Employment Opportunities Commissioner Dr Jackie Blue's term expired in June 2018. She agreed to continue in her role until new Commissioners were appointed.

The Commission thanks David, Susan and Jackie for their valuable insights, advocacy and significant contributions to the protection of human rights in New Zealand. The achievements detailed in this report owe a lot to the dedication and hard work of the outgoing Commissioners.

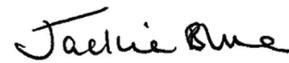
The Commission looks forward to welcoming a new Chief Commissioner, Race Relations Commissioner and Equal Employment Opportunities Commissioner.

The appointment of new Commissioners, along with the work of the review group to implement the recommendations in the Shaw Report, and the financial sustainability review, will provide further impetus to the Commission as it works for a free, fair, safe and just Aotearoa New Zealand, where diversity is valued, and human dignity and rights are respected.

Na mātou noa, nā



Paula Tesoriero MNZM
Acting Chief Commissioner
Te Amokapua (rangitahi)
Disability Rights Commissioner
Kaihautū Tika Hauātanga



Dr Jackie Blue
Equal Employment Opportunities
Commissioner
Kaihautū Ōritenga Mahi

What the
Commission is
and what it does
Ko wai mātou,
ā, he aha tā
mātou mahi?

The Human Rights Commission is New Zealand's national human rights institution (NHRI). It is an independent Crown entity responsible for promoting and encouraging the protection of human rights and harmonious relations between all people in New Zealand.

Our work is guided by strategic priorities and supported by our planning and evaluation frameworks.

We focus on some of the most egregious human rights issues and challenges facing New Zealanders today and all our work has a measurable and strategic line of sight that links projects to organisational outcomes.

The Board of the Commission determines the strategic direction and general activities of the Commission consistent with the Human Rights Act 1993 and the Crown Entities Act 2004.

The Commission is accredited with 'A' status by the United Nations Office of the High Commissioner for Human Rights and the Global Alliance of National Human Rights Institutions. This status is the highest recognition of independence that an NHRI can achieve and provides the Commission with speaking rights at relevant UN Human Rights Council and committee sessions. This means we operate in accordance with the principles relating to the Status of National Institutions, commonly known as the Paris Principles. These principles set out the minimum international standards for NHRIs to be considered credible and operating independently.

The Office of Human Rights Proceedings (OHRP) is part of the Commission. The Director of Human Rights Proceedings independently provides legal representation under the Human Rights Act 1993 and brings proceedings under the Privacy Act 1993.

Nature and scope of the Commission's functions

The Commission's primary functions, as set out in section 5(1) of the Human Rights Act 1993, are to:

- a advocate and promote respect for, and an understanding and appreciation of, human rights in New Zealand society; and
- b encourage the maintenance and development of harmonious relations between individuals and among the diverse groups in New Zealand society; and
- c promote racial equality and cultural diversity; and
- d promote equal employment opportunities (including pay equity); and
- e promote and protect the full and equal enjoyment of human rights by persons with disabilities.

Section 5(2) of the Human Rights Act 1993 lists the detailed functions of the Commission. In addition to the Act, important human rights

principles are enshrined in New Zealand's constitutional arrangements or legislation, including the:

- Treaty of Waitangi 1840
- New Zealand Bill of Rights Act 1990
- Crimes of Torture Act 1989.

The Chief Commissioner, Commissioners, Chief Executive and the Director of Human Rights Proceedings all have functions set out in the Human Rights Act and the Crown Entities Act.

As a member of the UN, New Zealand supports the human rights provisions of the UN Charter and the Universal Declaration of Human Rights 1948. New Zealand is obliged under international law to meet its human rights obligations to people in New Zealand as set out in the international human rights treaties New Zealand has ratified. These include the:

- a International Covenant on Civil and Political Rights (ICCPR)
- b International Covenant on Economic, Social and Cultural Rights (ICESCR)
- c International Convention on the Elimination of All Forms of Racial Discrimination (CERD)
- d Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- e Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT)
- f Convention on the Rights of the Child (CRC)
- g Convention on the Rights of Persons with Disabilities (CRPD)
- h United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

The Commission also has functions to facilitate the resolution of disputes, involving unlawful discrimination in the most efficient, informal, and cost-effective manner possible. The Commission has no adjudicative or judicial function. Those functions are carried out by the Human Rights Review Tribunal and the courts.

Governance, leadership and management

The Commission is governed by a Board consisting of all the Commissioners, chaired by the Chief Commissioner. The Board determines the strategic direction and general nature of the Commission's activities. In addition to their governance role, all Commissioners act as leaders in areas designated by the Human Rights Act 1993 or by designation of priority area and/or allocation of spheres of responsibility by the Chief Commissioner. Commissioners engage in the general activities of the

Commission (excepting the unlawful discrimination dispute-resolution process as those set out in sections 76(1)(b) of the Human Rights Act 1993) as determined by the Chief Commissioner. The roles of the Race Relations Commissioner, Equal Employment Opportunities Commissioner and Disability Rights Commissioner (effective June 2016) are designated under the Human Rights Act 1993.

The table sets out the priority areas and spheres of responsibility for Commissioners designated by statute or designated by the Chief Commissioner for 2017-18.

Commissioners	Priority areas/spheres of responsibility 2017-18
David Rutherford*	Chief Commissioner, human rights of children
Paula Tesoriero, MNZM	Acting Chief Commissioner (from 25 May 2018), Disability rights
Dr Jackie Blue	Equal employment opportunities, human rights of women, human rights of lesbian, gay, bisexual, transgender/transsexual and intersex (LGBTI) people
Dame Susan Devoy*	Race relations, human rights of non-Māori, ethnic or religious minorities, including refugees and asylum seekers

*Ceased term as Commissioner on 30 June 2018 with Paula Tesoriero taking responsibility for these areas

The Chief Executive is responsible for the effective and efficient management of the Commission and staff (except OHRP).

The Director of Human Rights Proceedings provides legal representation to applicants whose complaints of unlawful discrimination have not been resolved through the Commission's dispute-resolution process. The Director's functions also include bringing proceedings under the Privacy Act 1993 in respect to interferences with privacy referred by the Privacy Commissioner. Claims of unlawful discrimination or interference with privacy are heard in the Human Rights Review Tribunal. The Director manages the staff of the OHRP.

Goals and impacts 2017/18

The Commission seeks to influence and bring about positive change. This often involves long-term work and high levels of cooperation between communities and individuals. Our goal is to continue to work with government, civil society and international partners to protect and promote the human rights of everyone in New Zealand.

Our Statement of Intent 2016/17 – 2019/20 outlines the outcomes and impacts that we want to achieve. Our outcomes are:

- a peaceful and inclusive New Zealand society in which human dignity and human rights are respected
- discrimination and barriers to inclusion are reduced through education and compliance with human rights standards.

Our strategic impacts are:

- more people in New Zealand know and practice their rights and fulfil their responsibility to respect the human dignity and rights of others
- people and organisations with legal obligations to respect and protect human dignity and rights do so
- better remedies for breaches of human dignity and rights
- increased observance of procedural safeguards by decision-makers when exercising their legislative oversight and public-sector management responsibilities
- Effective engagement of specific groups in decision-making processes affecting them and in the design of their communities
- Development of a culture where violence and abuse are reported and not tolerated
- Increased adoption of effective policies and practices that provide for equality of opportunity and non-discrimination.

We measure our impact by monitoring progress against the following standards:

- the New Zealand public has a greater awareness and appreciation of human rights of all the diverse groups of people that make up our society
- central and local government agencies increasingly consider and implement human rights standards and obligations into policy and legislative decisions
- increased positive outcomes for breaches of human rights standards through the provision of effective dispute-resolution services and legal representation.

The Commission has made significant progress through delivery of its work programmes across all human rights focus areas – civil, political, economic, social and cultural rights. We are making a difference to New Zealand’s most marginalised groups including Māori, Pasifika, women, ethnic minorities, LGBTI people and disabled people. This is evidenced through increased adoption of policies and practices to achieve equality of opportunity and non-discrimination, more inclusive approaches and provision of effective mechanisms of redress through our enquiries, complaints and mediation services.

Positive outcomes have also been achieved over the past year where the Commission has intervened in legal proceedings or where it has made submissions to select committees on human rights issues.

The sections, Year in review and Enquiries and complaints, provide a summary of some of the Commission’s key achievements and contributions in 2017-18.

Human Rights Commission's Strategic Framework

Our Vision: People in New Zealand live together harmoniously, sharing a common respect for each other's inherent dignity and human rights

Outcomes we seek

- A peaceful and inclusive New Zealand society in which human dignity and human rights are respected
- Discrimination and barriers to inclusion are reduced through education and compliance with human rights standards.

The impacts we intend to have

- Increased adoption of policies and practices to achieve equality of opportunity and non-discrimination
- Advancing human rights, including the reduction of barriers to inclusion to facilitate peaceful and inclusive societies
- Protecting human dignity and rights through effective mechanisms of redress and increased observance of human rights obligations by decision-makers.

Measuring our impact

- The New Zealand public has a greater awareness and appreciation of human rights of all the diverse groups of people that make up our society
- Central and local government agencies increasingly consider and implement human rights standards and obligations into policy and legislative decisions
- Increased positive outcomes for breaches of human rights standards through the provision of effective dispute-resolution services and legal representation.

How we deliver

- 1 Human rights education, promotion, and advocacy programmes that are delivered effectively
- 2 Legal interventions in courts and tribunals to promote human rights
- 3 Effective engagement with government, civil society and business to protect human rights and reduce barriers to inclusion
- 4 Recommending, monitoring and reporting on human rights standards to government, civil society and business
- 5 Human rights enquiries and complaints received are advanced and concluded within agreed timeframes and standards
- 6 Applications for legal representation under the Human Rights Act 1993 and referrals received under the Privacy Act 1993, and associated litigation are progressed within the agreed timeframes and in accordance with professional standards.

Year in review

Arotakenga

ā Tau

Inclusive and just society

Some of our key achievements in 2017-18 include:

Proud to be Me campaign

Disability Pride Week saw the Commission celebrate the lives of the 24 percent of Kiwis who are disabled with the *Proud to be Me* campaign, sharing stories of identity, and encouraging others to do the same. The campaign created an opportunity to open discussions about disability, identity and pride. Stories celebrating life and achievement helped correct misconceptions. The campaign received good feedback on social media channels and was shared widely and can be found at www.proudtobeme.org.nz

End of Life Choice Bill

The Disability Rights Commissioner made a written submission on the End of Life Choice Bill in March. In May she appeared in front of the Justice Select Committee to outline her concerns about the Bill. This appearance, in which she highlighted the lack of safeguards in the legislation, created significant media interest. She is taking opportunities as they present to speak publicly and in the media on her concerns about the Bill.

Inclusive education

The Disability Rights Commissioner was involved in the design council for the education summits held in Christchurch and Auckland in May and is working with inclusive education stakeholders on various aspects of the education reforms.

Disabled people in employment

Working collaboratively with the Office of Disability Issues (ODI) and the State Services Commission, the Disability Rights Commissioner successfully increased engagement of public sector chief executives in the issue of employment of disabled people. The Disability Rights Commissioner featured in a Statistics New Zealand video about disability employment figures, welcoming the collection and release of the data and calling for urgent action to ensure disabled people's talents and potential are used in employment.

Changing attitudes

The Commission instigated research into New Zealanders' attitudes towards disability. A steering group of disabled researchers was set up by the Disability Rights Commissioner to provide feedback on the design and content of the survey, which was finalised in June. Its findings will be used to guide a social awareness programme about disability attitudes in New Zealand.

Disability data

A lack of quality disaggregated data about disability is a critical issue for realising better outcomes for disabled people. The Commission advocates for better data collection across all its disability priorities to all relevant stakeholders. The Commission is an active partner with Statistics New Zealand and the ODI in the development of a measurement framework to better track improvements for disabled people. The Commission has provided funding and resource for a gap analysis to map potential indicators under the Outcomes Framework, which supports the New Zealand Disability Strategy. This work informed a Cabinet paper which sought Cabinet approval for further work to create a durable set of indicators and measures that will guide agencies in their data collection.

Disability Action Plan

The Commission provided input into the ODI draft Cabinet paper, *Convention, Strategy Outcomes Framework, Disability Action Plan Progress Report*, and development of the new *Disability Action Plan*.

Intersex Clinical Reference Group

The Commission was accepted as one of 12 members of the Intersex Clinical Network Reference Group, run by the Paediatric Society of New Zealand (PSNZ). The group is funded by the Ministry of Health (MoH) and aims to improve health practices, systems and approaches for intersex children and youth up to 18 years of age by advising PSNZ and MoH on appropriate services. The group will operate for two years and develop definitions of intersex, undertake a stocktake of current resources and training, investigate current methods of data collection, develop national referral pathways, and ultimately make recommendations to PSNZ and MoH. The Commission brings a strong human rights perspective to the group, with a focus on the rights of the child and based around informed consent and ending non-consensual, non-life saving surgeries on intersex infants and youth.

Transgender prisoners

The Commission has an ongoing relationship with the Department of Corrections to advance the rights of transgender prisoners. In March, Corrections released the new *Management of Transgender Prisoners* policy. Guidance and training have been developed for frontline staff to educate them on the unique issues faced by transgender prisoners in Corrections' custody. The policy had been in development for a number of years, and the Commission had made a substantial submission, which was heavily drawn from for the final document.

Cross-Parliamentary Rainbow Network

An agreement with the co-chairs of the Cross-Parliamentary Rainbow Network was established as a result of an event held by the Commission on the International Day Against Homophobia, Biphobia, and Transphobia. The Commission will facilitate meetings between the Network and sex, gender, and sexuality minorities every six months, alternating between Wellington and Auckland. These meetings will enable affected groups to feed into the Network's work programme for the first time.

Making it easier to change gender markers on birth certificates

The Commission's submissions on the Births, Deaths, Marriages and Relationships Registration Bill, and the related Parliamentary petition that preceded it, had an influential role towards the introduction of amendments that will enable transgender, intersex or gender non-binary New Zealanders to change their gender markers on their birth certificate through a simple administrative process, rather than Family Court proceedings as is the case at present.

SOGISC stakeholder consultations

A series of five extremely successful consultations with sexual orientation, gender identity and sex characteristics (SOGISC) communities was held between February and April. The Commission spoke to 91 people to encourage submissions to the upcoming Universal Periodic Review (UPR). Additionally, it was determined from the consultations that the top three priority issues for sex, gender, and sexuality minorities are healthcare, education, and data collection. A high-level resource is being developed on these issues.

Pasifika engagement

A series of five Pasifika community 'Uipa'anga/fonotaga were held across New Zealand with Pasifika people regarding the human rights issues they were experiencing. The four main issues identified were:

- Racism and discrimination
- Employment, poverty and income issues
- Pasifika language preservation
- Lack of knowledge of human rights issues and how to access complaint mechanisms.

An issues paper will be released at the end of 2018.

Harmonious relations

Pasifika Access to human rights enquiries and complaints

The Commission contracted a review and audit of the Commission's Enquiries and Complaints service (ENC) with a Pasifika-specific lens. Currently ENC receives only about 30 complaints a year from Pasifika people, even though research shows they experience higher levels of discrimination than other groups. The report outlined an end-to-end user experience of the ENC service and made recommendations that the Commission will implement to improve user-friendly access for Pasifika people.

Pilot independent appeals process in schools

The Commission, in partnership with the Office of the Children's Commissioner and the New Zealand School Trustees Association (NZSTA), developed a pilot independent appeals process for students and their families who wish to appeal a student's exclusion or expulsion from school. NZSTA has recently announced that the pilot will be rolled out in several school regions in 2019.

Top international award for *Give Nothing to Racism*

The Commission's first nationwide anti-racism campaign Give Nothing to Racism won top honours at the Asia-Pacific Communications Awards, taking out the Supreme Award for the best communications campaign by an NGO, association or institution. The awards celebrate the finest communications, public relations and public affairs work in the region. Judges evaluated hundreds of applications from across Asia and the Pacific, based upon creativity and innovation, strategy, implementation, results and impact.

Historic abuse in state care

The Commission has strongly advocated for an independent inquiry into the abuse of people held in state care for a number of years. The Justice for State Abuse Survivors event at Parliament was an opportunity for survivors to meet, tell stories and share experiences, and to gather strength. The presentation of the Commission's open letter and petition for an inquiry into state abuse received extensive media coverage. The Commission contracted research into the experiences of disabled children and adults in state care. The release of *Institutions are places of abuse: The experiences of disabled children and adults in State care* demonstrates that the mistreatment was systemic, enduring and an everyday reality for New Zealanders with intellectual disabilities who lived in institutions and special schools. In February, a Royal Commission of Inquiry into Historical Abuse in State Care was announced by Prime Minister Jacinda Ardern, with Sir Anand Satyanand appointed as Chair. The Commission made a submission on the draft terms of reference

for the Royal Commission. Our submission called for accessibility for disabled survivors, well-resourced trauma support for survivors, removal of the 1950-1999 time limit and an inquiry framework based on Te Tiriti o Waitangi.

Welcoming Communities Standard

In December, the new Welcoming Communities Standard was launched. Nine councils across five regions are working with their communities to pilot *Welcoming Communities*, which puts out the welcome mat to newcomers, recent migrants, former refugees and international students. *Welcoming Communities* was developed in recognition that communities are healthier, happier and more productive when newcomers are welcomed and participate fully in society and in the local economy. In January a good-practice resource was also launched to support councils to develop their welcoming plan. The programme is jointly supported by MBIE, the Office of Ethnic Communities, and the Commission.

Treating asylum seekers with dignity and respect

The Commission released a discussion paper, *Treating asylum seekers with dignity and respect – the economic, social and cultural rights of those seeking protection in New Zealand*. The report sets out a series of recommendations to improve the support available for asylum claimants and refugees. The Commission spoke with a range of people who have been through New Zealand's asylum determination system and the refugee resettlement programme and used their feedback to develop proposals on how things could be improved.

Race Unity Speech Awards

The Race Unity Speech Awards finals and the Race Unity Youth Conference were held in early 2018. The awards are a competition for high school students that runs alongside Race Relations Day. Each year, the Commission sets a topic for the speakers, usually tied into that year's theme for Race Relations Day. The awards concluded two months of more than 40 events focused on Race Relations Day activities across New Zealand. The youth forum also produced a national statement that will be incorporated into the Commission's planning for 2019 Race Relations Day activities. These events attracted significant media coverage and broadened national youth engagement around race relations issues.

International students

The Commission's advocacy for international students continued in 2017-18. The Commission had successfully led calls for the realignment of the sector in the 2016-17 financial year to address international students' concerns. In August last year the first International Students Wellbeing

Strategy funding round was opened. The annual \$750,000 contestable fund for 2017-18 focused on inclusion and social connectedness, mental health and information provision. Eleven projects were funded, including national and regional initiatives.

Pathway to Treaty-based Multicultural Communities

The Commission has supported the implementation of the *Huarahi Hou – Pathway to Treaty-based Multicultural Communities initiative led by Multicultural New Zealand*. The initiative offers newcomers to New Zealand the chance to connect and learn more about local iwi and their history. The first programme was delivered at Orongomai Marae, in Upper Hutt, in October, and the programme is now being rolled out in other parts of the country.

New Zealand Pathways Diversity and Inclusion Conference – He Rākau Tau Matua

The annual New Zealand Pathways Diversity and Inclusion Conference was held in Auckland in February. The sessions included themes on indigeneity and immigration; politics and policy; religious leadership; creating cohesion; urban and neighbourhood diversity; conviviality; justice and He Ara Rau – The Many Pathways. The conference was delivered in partnership with Massey University, Auckland Council, University of Waikato and Diversity Works.

Business and human rights

Privacy, data and technology

In May, the Commission published *Privacy, Data and Technology: Human Rights Challenges in the Digital Age*. It is intended for use by those doing advocacy, research, policy or legislative development in this complex and fast-evolving area. It will help them identify and navigate key domestic and international human rights principles, and legal and policy frameworks. As part of the Commission's goal of interesting other NHRIs in the emerging human rights issues around privacy in the digital world, the Commission met with the Chair of the Global Alliance of National Human Rights Institutions at its annual conference in Geneva in February. The Commission also met with the Department of Internal Affairs and the Social Investment Agency concerning human rights and data issues covered in the paper. In its May submission to the Justice Select Committee on the Privacy Bill, the Commission also highlighted emerging human rights and data issues.

Privacy, Human Rights and Ethics Framework

A meeting was held early in 2018 between the Commission and the Ministry for Social Development regarding an update on the development of the *Privacy, Human Rights and Ethics Framework* (PHRAE).

The Commission welcomed the PHRAE's expansion from predictive risk modelling to data and information-sharing practices in the social sector more generally. The Commission also welcomed the inclusion of data and privacy issues as items of focus for the Government's work programme on the UN Convention on the Rights of the Child. This constitutes a significant achievement for the Commission's advocacy efforts in this area, which have been ongoing since 2014 and, in 2016, resulted in the Committee on the Rights of the Child issuing specific recommendations to the New Zealand Government on the PHRAE and related matters.

Review of Search and Surveillance Act

The Commission engaged with the Law Commission in developing its report, *Review of the Search and Surveillance Act 2012*. This resulted in the Law Commission recommending the inclusion of two new principles in the Search and Surveillance Act 2012 that directly adopt the Commission's suggestions and that the Law Commission report attributes to the Commission. The principles are: "that powers under the Act should be exercised in a manner that minimises the impact on children and vulnerable members of the community", and "that powers under the Act should be exercised in a manner that protects any privilege held by, or available to, any individual".

Harmful digital communications

The Commission co-chaired a working group with the Human Rights Foundation to address concerns regarding harmful digital communications and rights and responsibilities when engaging with security and intelligence services. The working group consists of Police, Security Intelligence Service, Office of Film and Literature Classification, Customs, MBIE, and civil society representatives. In May, the working group completed and published two resources to address civil society concerns and supported the resource publication with a joint community forum.

Right to housing

The UN Special Rapporteur on Adequate Housing invited the Commission to provide feedback on her 2018 draft thematic report on human-rights-based housing strategies. The Commission's input was included in her final report. The Commission's submission on how states can design and implement effective human-rights-based housing strategies and Mr Rutherford's article on the human right to adequate housing were published on the Office of the High Commissioner for Human Rights (OHCHR) webpage. The Chief Commissioner's article also featured in the Public Service Association's book *Progressive thinking: ten perspectives on housing*.

The Chief Commissioner had meetings with senior ANZ staff to inform the development of the bank's internal strategy on housing and, in particular,

the responsibilities of landlords under the United Nations Guiding Principles on Business and Human Rights (UNGPs) to ensure habitable housing. The Commission subsequently welcomed the announcement of ANZ's interest-free home-insulation scheme.

Access to remedy

The Commission provided feedback on the Government's Centre for Dispute Resolution mapping of non-judicial remedy schemes in New Zealand. The Commission provided analysis of the mapping data and the accompanying questionnaire and made recommendations to ensure the UNGPs were referenced and used to guide the definition of an 'adequate' non-judicial remedy landscape. This work and gaps in existing remedy mechanisms to address human rights issues arising from the Canterbury earthquakes were the focus of a presentation by the Commission at the 6th UN Business and Human Rights Forum in Geneva.

Canterbury earthquakes

The Commission's recommendations in its *Staying in the Red Zones* report were reflected in the Government's decision to establish a bespoke tribunal through the Canterbury Earthquakes Insurance Tribunal Bill, which is before Parliament. The tribunal is intended to provide speedy, flexible and cost-effective services to help resolve insurance claims between policy holders and insurers, and insured persons and the Earthquake Commission Act 1993.

The Chief Commissioner presented at the Global Forum on Responsible Business Conduct in Paris on access to remedy in New Zealand, with a focus on the OECD *Guidelines for Multi-National Enterprises National Contact Point* (NCP) located within MBIE. The Commission is a member of an inter-agency and stakeholder liaison group that provides support to the NCP.

Ethical sourcing

The Commission hosted its third successful ethical sourcing meeting in July with business procurement officials, including representatives from Woolworths New Zealand (formerly Progressive Enterprises), Air New Zealand, ANZ, Kathmandu, Warehouse Group, Fisher and Paykel Healthcare and Fonterra. The Global Head of Environmental and Social Affairs for the adidas Group shared their experience with ethical sourcing and human rights due diligence as a sophisticated example of a multinational company doing responsible business on a global scale. Practical ways of embedding human rights into procurement practice is of great interest to New Zealand big business, particularly with the United Kingdom and Australian modern-day slavery legislation putting added pressure on businesses to have strong and robust supply-chain practices that include human rights due diligence.

Family violence policy and online tool

Following the design of a prototype family violence policy for New Zealand businesses by the Commission, and after an extensive survey of business attitudes to implementing a family violence policy and mapping of services for those who want to stop using violence, the Commission was joined by seven major businesses – The Warehouse, ANZ, Countdown, Vodafone, Fonterra, Ricoh, and EY – in releasing a model workplace policy and tool: www.businessworkingtoendfamilyviolence.co.nz

Employers can adapt and use the model policy to address family violence issues among their employees.

Human rights due diligence

The Commission continues to meet regularly with the Labour Inspectorate and other MBIE officials to continue the Government's progress in embedding human rights due diligence into all-of-government procurement contracts. The Commission also advised on the Modern-Day Slavery Act coming into effect in Australia and the impacts it will have on New Zealand businesses.

Sport and human rights

The Chief Commissioner spoke at the 9th Commonwealth Sports Ministers Meeting (CSMM) ahead of the opening of the Commonwealth Games on Australia's Gold Coast earlier this year. Delegations from 45 Commonwealth nations and territories attended the meeting. His speech focused on the work of the Commonwealth Advisory Body on Sport (CABOS) and the importance of sport protecting and promoting the human rights of everyone involved, particularly athletes.

The Commission worked with the Commonwealth Secretariat to prepare a briefing paper for CSMM. The paper called for a greater recognition of sport as a human right and for the opportunities it offers to achieve the 2030 Sustainable Development Goals (SDG) agenda. These were agreed in the Ministers' meeting communique, particularly around the need for joint strategies and action to coordinate policy so it maximises the benefits of investing in sport.

The Chief Commissioner's discussion paper *States' Obligations Under International Human Rights Conventions: The implications for Government Sport Policy* was published as a book by the Commonwealth Secretariat to coincide with the Commonwealth Games. It examines how human rights can be protected in and through sport to advance the 2030 Sustainable Development Agenda and links the Sustainable Development Goals and targets relevant to sport to the human rights treaties that underpin them.

The Chief Commissioner worked with the Mega Sporting Events Platform to produce two further resources, *Championing Human Rights in the Governance of Sports Bodies* and *The Mega-Sporting Event Lifecycle: Embedding Human Rights from Vision to Legacy*.

As a member of the Commonwealth Forum of National Human Rights Institutions, the Commission agreed strategic priorities, both of which address human rights issues relating to sport. The forum issued *The London Declaration* in recognition of the value and importance of sport and human rights in the context of the Commonwealth Games and other Commonwealth sporting initiatives.

The Commission also provided input on Sport New Zealand's draft terms of reference for its Sport Integrity Review to ensure it encompasses sport and human rights (including the rights of athletes and other stakeholders).

Tracking Equality at Work webtool

The Commission completed the biannual *Tracking Equality at Work* webtool in June. Broad trends show that women have higher rates of unemployment, underemployment and lower rates of labour force participation than men. Young Māori and Pasifika women remain particularly marginalised, as do disabled people. The data also showed equality for women has not been achieved against any of the leadership indicators. There has been a sharp decline in women in senior management roles in the private sector from 31 percent in 2014 to 18 percent in 2017. New Zealand is lagging behind many other countries in this area.

The Commission made a number of recommendations to government including:

- That MBIE urgently improve the employment outcomes for women, Māori and Pasifika and people with disabilities, who experience persistent inequality against all employment indicators by: a) increasing the number of places available in successful employment and apprenticeship schemes administered by the Ministry for Pacific Peoples so there are sufficient places for the 17 percent Māori, 20 percent Pasifika young people not in education, employment or training (NEET); and b) introducing specific education and employment programmes for the 40 percent of young disabled people who are NEET.
- The New Zealand Government actively applies special measures (ways of realising equality), to identify and promote under-represented groups such as women, Māori, Pasifika, ethnic minorities and people with disabilities into senior leadership positions, requiring that women make up 50 percent of senior leaders in the state sector.
See <http://tracking-equality.hrc.co.nz>

Good employer data

The Commission measures annually whether Crown entities are 'good employers' by assessing the annual reports of New Zealand's 91 Crown entities against seven good-employer obligations. The good-employer obligations focus on:

- leadership, accountability and culture

- flexibility and work design
- employee development, promotion and exit
- recruitment, induction and selection
- remuneration, recognition and conditions
- harassment and bullying prevention
- safe and healthy working environment.

The results for each Crown entity can be tracked over time through the Commission's good-employer webtool <http://good-employer.hrc.co.nz/#2017/report/all-entities>

Over half of the Crown entities achieved 100 percent compliance with the obligations – with seven achieving this for the first time. Overall compliance went up 2 percent from the previous year to 94 percent.

Human rights mandate

National Plan of Action

The Commission, alongside the Ministry of Foreign Affairs and Trade, updated the National Plan of Action (NPA) actions from government agencies in July 2017 and March 2018. See <https://npa.hrc.co.nz>. These updates were collected and published in the annual NPA report in 2018. The report showed that of 100 actions, 56 have been completed and 40 are still in progress. Four actions have been discontinued or superseded by other projects. Significant focus went into developing and enhancing the NPA tool this year. The tool now supports recommendations from all human rights bodies and not just the Universal Periodic Review. It now also supports the Sustainable Development Goal indicators, goals and targets and allows for assigned users to provide progress reports against indicators.

Racial discrimination

In 2017, the Commission lodged its submissions on the 21st and 22nd periodic review of New Zealand by the UN Committee on the Elimination of Racial Discrimination under the Convention on the Elimination of all forms of Racial Discrimination (CERD). The Race Relations Commissioner subsequently attended the UN Committee's review hearing in Geneva. In its recommendations for the New Zealand Government, released late in 2017, the UN Committee adopted many of the recommendations from the Commission's submissions. These included a recommendation that the New Zealand Government hold an independent inquiry into the systemic abuse of children and disabled adults in state institutions. The Commission notes that in 2018 the Government announced a Royal Commission of Inquiry into Historical Abuse in State Care. The Commission welcomes this development, which reflected the advocacy and communications efforts by the Commission and others.

Economic, social and cultural rights

In March, the UN Committee on Economic, Social and Cultural Rights examined the New Zealand Government's fourth periodic report under the International Covenant on Economic, Social and Cultural Rights. The Commission attended the review, having earlier facilitated a video conference between New Zealand civil society groups and the UN Committee. As with the CERD review, a large majority of the Commission's recommendations were reflected in the concluding observations issued by the Committee. These recommendations provide a strong platform for domestic and international advocacy work in all social, economic and cultural areas.

Universal Periodic Review

In February and March, the Commission participated in public consultation hui facilitated by MFAT in eight regions around New Zealand. The results of these hui – as well as the outcomes of other consultation hui the Commission facilitated for the Committee on the Elimination of Discrimination against Women (CEDAW) review – will inform the submission process for New Zealand's third UPR review before the UN Human Rights Council. The Commission provided information on how individuals and groups can participate in the UPR process. The New Zealand Government will appear before the UN Human Rights Council in January 2019. Further extensive public events are planned by the Commission leading up to the civil society UPR pre-session scheduled for December 2018.

United Nations Declaration on the Rights of Indigenous Peoples

To mark the 10th anniversary of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the Commission partnered with Massey University's Global Centre for Indigenous Leadership to co-host a two-day conference. The conference was attended by more than 170 people and included local and international speakers. Presentations and workshops looked at progress and challenges of implementing the Declaration in the past 10 years and discussed practical ways of using UNDRIP and other human rights instruments and processes to advance indigenous rights in Aotearoa New Zealand.

Workshops have been held with iwi, in partnership with the UNDRIP Monitoring Mechanism, to inform the Monitoring Mechanism's annual monitoring report to the Expert Mechanism on the Rights of Indigenous Peoples (EMRIP), as well as the Commission's indigenous rights work. Workshop themes have focused on equality and discrimination, te reo me ngā tikanga (language and culture), participation in decision-making, constitutional transformation and extractive industries. The Commission's work on indigenous rights and in the Treaty space will continue to advocate for better outcomes for Māori.

United Nations Expert Mechanism on the Rights of Indigenous Peoples

The annual session of the United Nations Expert Mechanism on the Rights of Indigenous Peoples (EMRIP) took place in July 2017 and included development of the EMRIP working methods under its revised mandate, and a thematic focus on business and indigenous people's rights. The Commission's contributions to the session of the EMRIP included: a submission to the EMRIP's thematic study; several interventions during the session and participation in panel discussion. Outgoing Indigenous Rights Commissioner Karen Johansen also featured in a video statement produced by the Office of the High Commissioner for Human Rights to mark the 10th anniversary of the UNDRIP.

The Commission further contributed to the work of the EMRIP through participation at an expert workshop held in February, including by providing detailed comments on the EMRIP's proposed working methods.

In December, the Commission provided a submission to a thematic study undertaken by the United Nations Permanent Forum on Indigenous Issues (UNPFII). The study was on the issue of indigenous people's rights to lands, territories and resources.

The Commission continued to encourage and promote Māori participation in the EMRIP, UNPFII and other international human rights processes, including through a community workshop, by disseminating information and providing advice. The success of these activities was reflected in subsequent engagement by stakeholders in those human rights processes.

Rights of disabled persons

The Commission became the chair for the Independent Monitoring Mechanism (IMM) of the Convention on the Rights of Persons with Disabilities (CRPD). The IMM met with the Committee on the Rights of Persons with Disabilities by video conference, during which the Committee commended the IMM for its submissions and input into the shadow report for New Zealand's 2nd Periodic Review under the CRPD. All of the IMM's priority issues were subsequently reflected in the Committee's list of issues prior to reporting.

Implementing the CRPD

Two representatives from the Commission attended the 11th Conference of State Parties (COSP) on the CRPD to discuss its implementation around the world. The Disability Rights Commissioner participated on panels focused on the meaningful participation of disabled persons in the implementation of the CRPD. The Commissioner also moderated a side session on data hosted by New Zealand and Canada. Later, she made an intervention during the general debate about the importance of changing attitudes around the world towards disability as a key to meaningful implementation of the CRPD.

Elimination of Discrimination against Women examination

The Commission carried out five separate consultations with women across New Zealand to inform its submission for the 7th Periodic Review of New Zealand under the Convention on the Elimination of Discrimination against Women (CEDAW). The Commission's submission focused on five main human rights issues: gender-based violence, employment, exploitation and trafficking, health and data collection, and resource allocation.

Commission on the Status of Women

In March, the Women's Rights Commissioner attended the 62nd session of the Commission on the Status of Women (CSW) at the UN in New York. This year's theme was *Challenges and opportunities in achieving gender equality and the empowerment of rural women and girls*. The Commission facilitated a side event, along with the Ministry for Women and the New Zealand Mission, about the empowerment of rural women through economic opportunity. The Commissioner facilitated a well-received discussion about the challenges and opportunities for rural women in New Zealand, Australia and Argentina. The Commissioner also attended the Suffrage 125 celebration hosted by the New Zealand UN Mission in New York, celebrating 125 years since women obtained the vote in New Zealand, and a gathering of other NHRIs and New Zealand NGOs, hosted by the Asia Pacific Forum, to discuss progressing independent participation rights for NHRIs at CSW. The Commissioner also attended many side and parallel events run by different countries and organisations working to progress women's rights.

Ethnic Minority Women's Rights Alliance

The Ethnic Minority Women's Rights Alliance of Aotearoa has evolved over several years, initially comprising Commonwealth Women Parliamentarians (CWP), Shakti and Pacific Women's Watch. In late 2017, a decision was made to formalise the Alliance and its membership to bring a dedicated team and strategy to addressing human rights issues for ethnic women in New Zealand. The group has expanded to include the Commission, Female Genital Mutilation (FGM) Education Programme, Police, Accident Compensation Corporation, Health Quality & Safety Commission, and the Chief Victims Advisor to the Government. The stated purpose of the group is to advocate, campaign and lobby politically on priority issues that impinge on the fundamental human rights of ethnic women and girls in New Zealand. The lobbying and advocacy covers government, NGOs and civil society and includes issues such as family violence, lack of a national ethnic minority family violence strategy, dowry abuse, female genital mutilation, coercion to marry (including children and adults), use of immigration status to coerce women to stay in abusive relationships, human trafficking and honour killings and violence.

Submissions

During the year the Commission made more than 30 submissions to select committees, government departments and other agencies in relation to key human rights issues and made appearances before select committees.

The Commission made submissions:

- on the Privacy Bill
- to the Office of the High Commissioner for Human Rights (OHCHR) on the right to privacy in the digital age
- to the Foreign Affairs and Trade Select Committee on treaty examination of the Comprehensive and Progressive Agreement of the Trans-Pacific Partnership
- to the Tax Working Group
- on Draft Terms of Reference on Historical Abuse in State Care Royal Commission
- to the Law Commission on abortion law reform
- on Strengthening independent oversight of the Oranga Tamariki system and of children's issues in New Zealand
- to the Government Inquiry into Mental Health and Addiction
- to the Justice Select Committee on the End of Life Choice Bill
- to the Social Services and Community Committee on Child Poverty Reduction Bill
- to the Governance and Administration Committee on the Births, Deaths, Marriages and Relationships Registration Bill
- to the Justice Committee on the Corrections Amendment Bill

Appearances before select committees in relation to the following submissions:

- Child Poverty Reduction Bill
- End of Life Choice Bill
- Electoral (Integrity) Amendment Bill
- Privacy Bill
- Births, Deaths, Marriages and Relationships Registration Bill
- Corrections Amendment Bill

Legal interventions

The Commission has continued to be involved in a range of human-rights-related legal proceedings.

Attorney General vs Taylor

Late in 2017 the Commission was granted status to appear as intervenor by the Supreme Court in *Attorney General v Taylor*, a major constitutional law case regarding whether the courts have jurisdiction to declare a statute inconsistent with the New Zealand Bill of Rights Act (BORA). The Commission appeared as an intervenor in the Court of Appeal proceedings (reported in the New Zealand Law Reports), where it carried the burden of the argument in favour of the courts having the jurisdiction to do so. The case was heard in the Supreme Court in March 2018. The decision is pending. However, prior to the Supreme Court hearing the case, Cabinet agreed in principle to allow the courts to make a declaration of inconsistency if they believe that legislation is inconsistent with the BORA and has indicated that the BORA will be amended to provide for this remedy. This outcome indicates the significant impact the Commission's legal intervention function can have in implementing human rights principles in New Zealand law.

Wall v Fairfax

In November 2017, the Commission appeared as an intervenor in the High Court in *Wall v Fairfax*, an appeal from a 2017 decision of the Human Rights Review Tribunal, which held that a pair of editorial cartoons published in regional newspapers in 2014 did not incite racial disharmony for the purposes of section 61 of the Human Rights Act. The case required the Court and the Tribunal to balance the rights of freedom of expression and protection from discrimination. In February, the High Court released its decision and dismissed the appeal, upholding the earlier decision of the Tribunal that, while the cartoons were offensive, they did not meet the section 61 threshold and that the limitation of the right to freedom of expression was not justified in this case. In doing so, the Court largely adopted the submissions advanced by the Commission in its judgment. The judgment has subsequently been reported in the New Zealand Law Reports.

Hines & Jacobs v Attorney-General

This case regards an application under the Human Rights Act for a declaration that the provisions of the Education Act 1964 allowing state primary schools to hold religious instruction and observances are inconsistent with the right to freedom from discrimination. The Commission supported an application for the case to be removed to the High Court due to delays in the Tribunal. In its decision approving the grounds for removal to the High Court, the Tribunal drew extensively on the submissions of the Commission in support. The High Court has subsequently granted leave for the removal of the case, which will likely be heard in 2019.

Enquiries and complaints

Ngā Pātai me ngā Amuamu

The Commission provides a dispute-resolution service under sections 76 and 77 of the Human Rights Act for complaints about compliance with the unlawful discrimination provisions of the Act, and a service to provide information to the public about discrimination and broader human rights issues. The dispute-resolution service is central to the Commission’s role in protecting and promoting human rights. It is not just about resolving complaints, it is also an opportunity to educate and enable outcomes that address systemic causes of discrimination.

Enquiries and complaints

In 2017-18, the Commission received 6304 new human rights enquiries and complaints, an increase of 1075 over the previous year¹.

The figures for the past three years are:

	2017/18	2016/17	2015/16
Number of enquiries and complaints received	6304	5229	5140

Of the 6304 enquiries and complaints this year, there were:

- 4706 requests for the Commission to intervene in a complaint about a human rights issue, 1381 of which were complaints specifically about unlawful discrimination
- 1507 requests for other assistance such as human rights training, advice or resources, legal intervention and advocacy
- 91 registrations of concern about a human rights issue (this does not include concerns expressed over the Commission’s social media sites, but concerns specifically sent to the Commission).

In addition, there were 230 requests for the Commission’s publications.

The Commission closed 6231 enquiries and complaints over the year.

- 5266 (85%) were resolved or involved providing some form of assistance
- 822 (13%) were withdrawn or the person did not reply to the Commission
- 143 (2%) were unable to be resolved within the Commission’s dispute-resolution service.

¹ In previous annual reports, the number of requests for publications were included.

10 most common issues (including unlawful discrimination) raised with the Commission in 2017-18

Key words	Count
Employment	1005
Race	825
Disability	764
Harassment	693
Government departments	675
Sex	628
Ethnic or national origins	532
Health	387
International	381
Age	366

Unlawful discrimination enquiries and complaints

In 2017-18, the Commission received 1567 enquiries and complaints about unlawful discrimination. Of these, 1381 were complaints alleging unlawful discrimination under Part 1A or Part 2 of the Human Rights Act.

The Human Rights Act distinguishes between unlawful discrimination in the public sector and the private sector. Part 1A of the Act deals with complaints about legislation and government policy or practice. Part 2 deals with unlawful discrimination by business and non-government agencies as well as pre-employment and employment complaints in both private and public sectors.

There were 1146 enquiries and complaints related to Part 2 (as against 954 in 2016-17) and 413 under Part 1A enquiries and complaints about unlawful discrimination (with 393 in 2016-17). There were eight dual classifications enquiries and complaints falling under both Part 1A and Part 2.

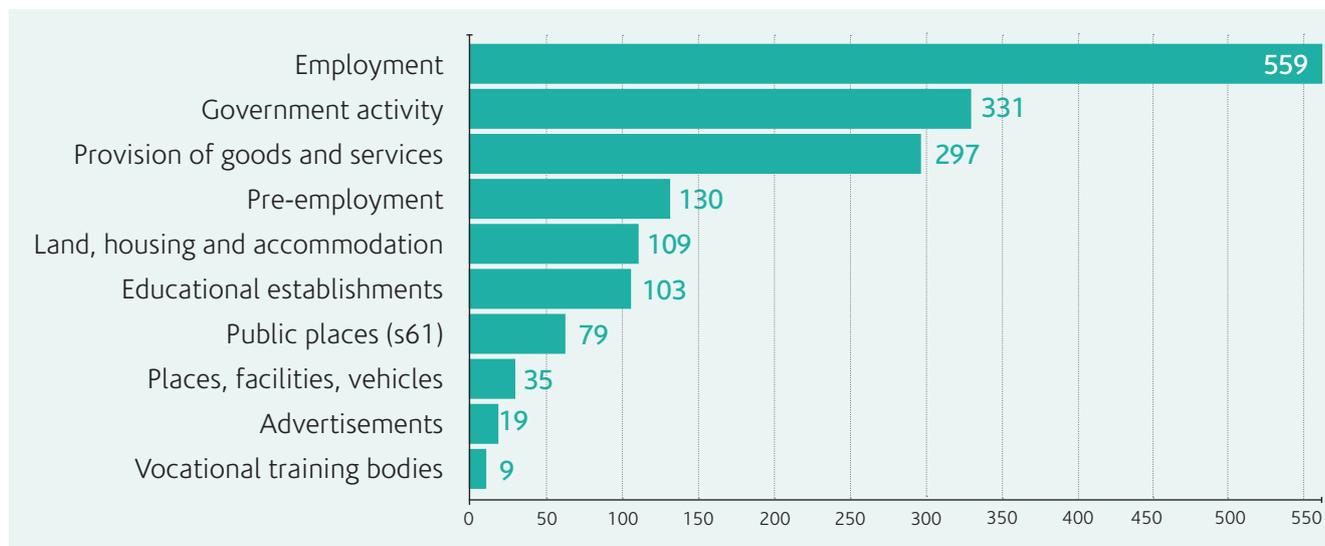
Unlawful Discrimination Enquiries and Complaints by Sector



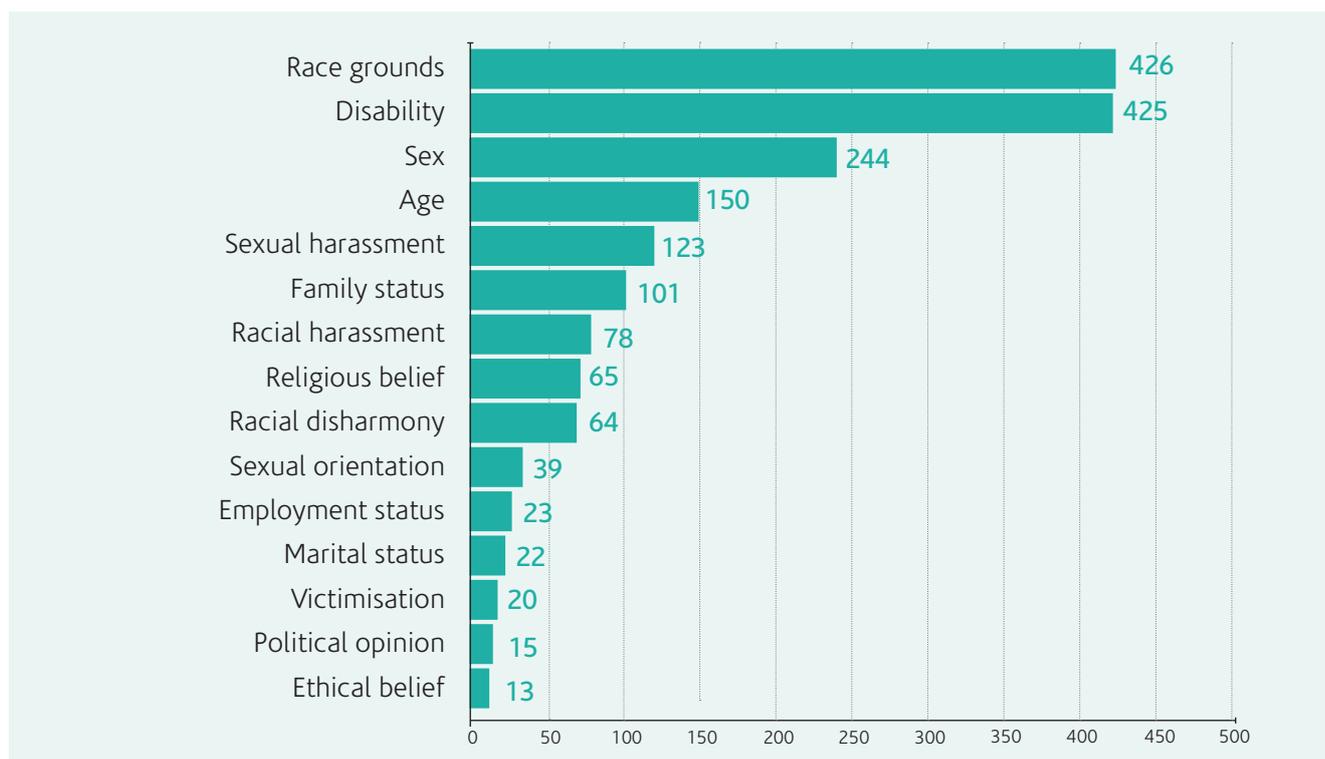
There are slight differences in the nature of enquiries and complaints between the two sectors. Disability is the most prevalent ground of enquiry and complaint under Part 1A, while race-related issues dominate under Part 2.

When combined, employment and pre-employment enquiries and complaints accounted for 689 (as against 577 in 2016-17) of all unlawful discrimination enquiries and complaints. Included in this number were employment and pre-employment complaints in both the private and public sectors. Enquiries and complaints about government activity (government services, policies, legislation) are the next most common area of complaint, followed by complaints about the provision of goods and services.

Unlawful Discrimination Enquiries and Complaints by Area



Unlawful Discrimination Enquiries and Complaints by Ground



Note: Some complaints cite more than one ground.

With the #MeToo campaign and several high-profile external sexual harassment cases over the year, the Commission fielded 123 enquiries and complaints about sexual harassment, a significant increase over the previous year's total of 75.

	2017/18	2016/17	2015/16	2014/15
Sexual harassment enquiries and complaints	123	75	93	78

Unlawful discrimination complaints closed

The Commission received 1381 complaints alleging unlawful discrimination in 2017-18 (1211 in 2016-17) and closed 1370 unlawful discrimination complaints over the year. Some 82 percent were closed within three months and 97 percent within 12 months.

Outcomes of closed unlawful discrimination complaints over the past four years:

	2017/18	2016/17 ²	2015/16	2014/15
Resolved or assistance given	1036 (76%)	972 (79%)	969 (76%)	930 (82%)
Withdrawn or discontinued, no action taken	212 (15%)	156 (13%)	192 (15%)	137 (12%)
Referred to the Human Rights Review Tribunal	122 (9%)	109 (9%)	120 (9%)	70 (6%)
Total	1370	1237	1281	1137

There are many ways to move a complaint towards resolution. The Commission initially talks to complainants to help them identify the best path for them in their specific circumstances. This may involve suggesting how to resolve the complaint themselves, referring them to another organisation better placed to help them, brokering a resolution over the phone or setting up formal mediation.

Of those who took the path of formal mediation, 84.2 percent were satisfied or very satisfied with the mediation process

² Figures have been rounded up which accounts for the extra one percent. Exact decimal places result in 99.99 percent.

Dispute resolution in action

The Commission's dispute-resolution service is impartial, flexible and free, and is offered for discrimination complaints and complaints of sexual harassment, racial harassment, racial disharmony and victimisation for having made a discrimination complaint. Mediation can provide an important outcome to a person who has been discriminated against and on occasion enables widespread systemic change. The Commission also uses the evidence collected through the dispute-resolution process to understand where structural discrimination may exist, which in turn informs its education, policy and broader research work.

Complaints can be made in any language and the Commission arranges a free interpreter or New Zealand sign-language interpreter if needed.

As well as resolving the particular situation for the individual, mediation provides a good opportunity to address the underlying cause of the complaint. Over the year, 42 outcomes were recorded that addressed systemic discrimination.

- Disability discrimination is one of the most commonly reported complaints to the Commission. Examples of mediated systemic outcomes include: purchase of a hoist at a hydrotherapy pool; enabling access for disabled swimmers; a school board changing procedures to improve consideration of autism in suspension/exclusion cases; a supermarket providing staff training about customers with disabilities, particularly where symptoms of disability may appear as intoxication; and a government agency implementing a nationwide policy to help staff to respond appropriately to clients with assistance dogs. A major transport provider worked with the Blind Foundation to develop an app for visually impaired customers to announce stops and fares. Many more mediations resulted in reviews of processes that directly or indirectly have a negative or unfair effect on people with a disability.
- Employment and pre-employment discrimination account for 42 percent of complaints. Outcomes resulting in systemic changes included: changes to parental leave and breastfeeding policies; changes to advertising/pre-employment practices so as not to risk breaching section 67 of the Human Rights Act; and diversity training for organisations where race complaints had been made. There were many occasions where it was agreed sexual harassment policies would be updated and more widely promulgated within the workplace.
- In other examples, a local authority reviewed its policy on age restrictions for pensioner accommodation; two major public service providers developed policies on mothers breastfeeding their infants and held staff induction courses to ensure the policies were implemented.

- In a well-publicised and significant mediated outcome, parents now registering a child's birth will be able to select 'mother' 'father' or 'parent' with the effect that same-sex or transgender couples, for example, will be able to choose the way they describe their relationship to the child.

Outcomes recorded for individuals included: compensation; apology; an interview or job reference; accommodation made for a disability; an acknowledgment of the reality of the complainant's situation; reimbursement of lost wages; donation to a charity of choice; coaching in self-resolution; and referral to an organisation better placed to help.

The Enquiries and Complaints team dealt with 11 'mega' matters over the year, representing 331 incoming enquiries and complaints. Mega matters are high-profile issues that gain traction in the media and prompt a significant number of complaints about the human rights issues raised. Minister for Women Julie Anne Genter's comments about boards being mainly made up of "old white men" prompted 158 complaints to the Commission, by far the largest number of media-generated complaints this year. Businessman and social commentator Sir Bob Jones' suggestion that Waitangi Day be replaced was labelled racist, as was a pamphlet associated with Don Brash entitled *Hobson's Pledge*. Journalist Joel Maxwell created controversy with an article considered to denigrate pakeha. A video sermon by pastor Logan Robertson making statements about gay people caused alarm and an Iranian diplomat's comments considered to be anti-Israeli and anti-Semitic, as well as comments by the Commission on disharmonious speech all generated a rush of complaints.

Broader human rights enquiries – beyond unlawful discrimination

In addition to specific complaints about unlawful discrimination under the Human Rights Act, the Commission received a vast number of enquiries on a wide variety of human rights issues. We considered 4737 complaints, enquiries and requests for action on other human rights issues and closed 4674 within the year. Seventy percent (3314) were responded to and closed within three days of being received.

During 2017-18, the Commission responded to queries and concerns about systematic abuse of people in state mental health care and prisons; low earnings of ride-sharing drivers; freedom of speech; age discrimination in the appointment of staff; 5G technology and its impact on safety and dignity; Treaty of Waitangi implications in several areas, including financial market regulation and adoption; men's issues; funding for counselling and mental health; disabled parking; water; international students; online abuse; bullying; funding for Citizens Advice Bureau; golliwogs; Large Natural Grouping policy in Treaty of Waitangi settlements; poverty; youth safety; special measures for Māori and vulnerable groups; and housing.

The Commission contributed to research on sexuality and gender training in medical schools, the Corrections' policy for transgender prisoners, a review on insurance contract law, health and safety at work policy, reviews of sexual harassment guidelines and two proposed dispute-resolution schemes promoting early intervention in disability complaints, a review of law on Protected Disclosures and Social Investment Agency data collection and sharing.

In addition, the Commission was asked to recommend human rights trainers, to comment on family carers legislation, to meet overseas delegations on a wide variety of human rights issues, comment on tax reform, to provide guidance for small business owners on same-sex and transgender issues, and migrant exploitation in the Pacific.

The Top 10 broader human rights issues associated with Section 5 enquiries and complaints

Key words	Count
Employment	640
Government departments	541
Race	458
Harassment	436
Disability	386
International	372
Health	353
Sex	327
Criminal issues	305
Children and young people	299

Each inquiry may have more than one issue/keyword

The Office of Human Rights Proceedings Te Tari Whakatau Take Tika Tangata

Report to the Minister on the Director's decisions

The Director of Human Rights Proceedings is required to report annually to the Minister on the Director's decisions on applications for free legal representation in the Human Rights Review Tribunal (Tribunal).³

Summary of decisions made

The Director made 70 decisions on applications for representation in the Tribunal. Of those, the Director decided to grant representation to 22 applicants: 14 grants were for representation in the Tribunal and eight were for representation for settlement attempts (including three for representation in mediation).

Forty decisions were made not to provide representation and eight to take no further action.

Expressed as a percentage, the Director provided representation to 31 percent of applicants overall.

Decisions under the Human Rights Act

Some 49 percent of the decisions made concerned complaints under Part 1A of the Human Rights Act 1993 (HRA)[1]⁴ as against 51 percent under Part 2 of the Act.

Percentage of Complaints made under Part 1A vs Part 2



- ³ Under s 92A(4) of the Human Rights Act 1993 (HRA) the Director must report to the Minister at least once each year and without referring to identifiable individuals concerned, on the Director's decisions under s 90(1)(a) (applications for representation in the Human Rights Review Tribunal in respect to enforcing settlement) and s 90(1)(c) (applications for representation in the Tribunal in respect to complaints under the HRA).
- ⁴ Part 1A applies to unlawful discrimination complaints against Government branches or persons or bodies performing public acts pursuant to law (other than complaints about employment discrimination, racial disharmony, racial harassment, sexual harassment, and victimisation).

Part 1A complaints by entity, ground and decision

The table below shows the public-sector entities or type of public-sector entities that had complaints laid against them, the prohibited grounds of discrimination alleged, and the Director's decisions.

Public Sector Entity	Ground ⁵	Decision
Ministry of Health	Family status (9) Disability (2)	Yes (3), NFA ⁶ (2), No (4) No (2)
District Health Board	Disability (2)	Yes (1), No (1)
University/educational Institute	Disability (3) Ethnic/national origins (1) Family status (1)	Yes (S) ⁷ (1), No (2) No (1) No (1)
New Zealand Police	Disability (1) Sex (1) Family status (1)	Yes (S)(1) NFA (1) No (1)
Accident Compensation Corporation	Family status (1) Disability (1)	Yes (1) No (1)
Housing New Zealand	Disability (1)	NFA (1)
City/Regional council	Disability (2)	No (2)
Department of Corrections	Religious belief (1) Disability (1)	No (1) No (1)
Ministry of Social Development	Family status (1)	No (1)
Office of the Ombudsman	Disability (1)	No (1)
Work & Income New Zealand	Disability (1)	No (1)
Department of Internal Affairs	Ethnic/national origins (1) Victimisation (1)	No (1) No (1)
Ministry of Education	Family status (1)	No (1)

5 Where an applicant has relied on several grounds, a single primary ground has been isolated.

6 'NFA' denotes that the Director decided to take no further action on the application.

7 '(S)' denotes that representation was provided for settlement purposes only.

Part 2 complaints by area, ground, and decision

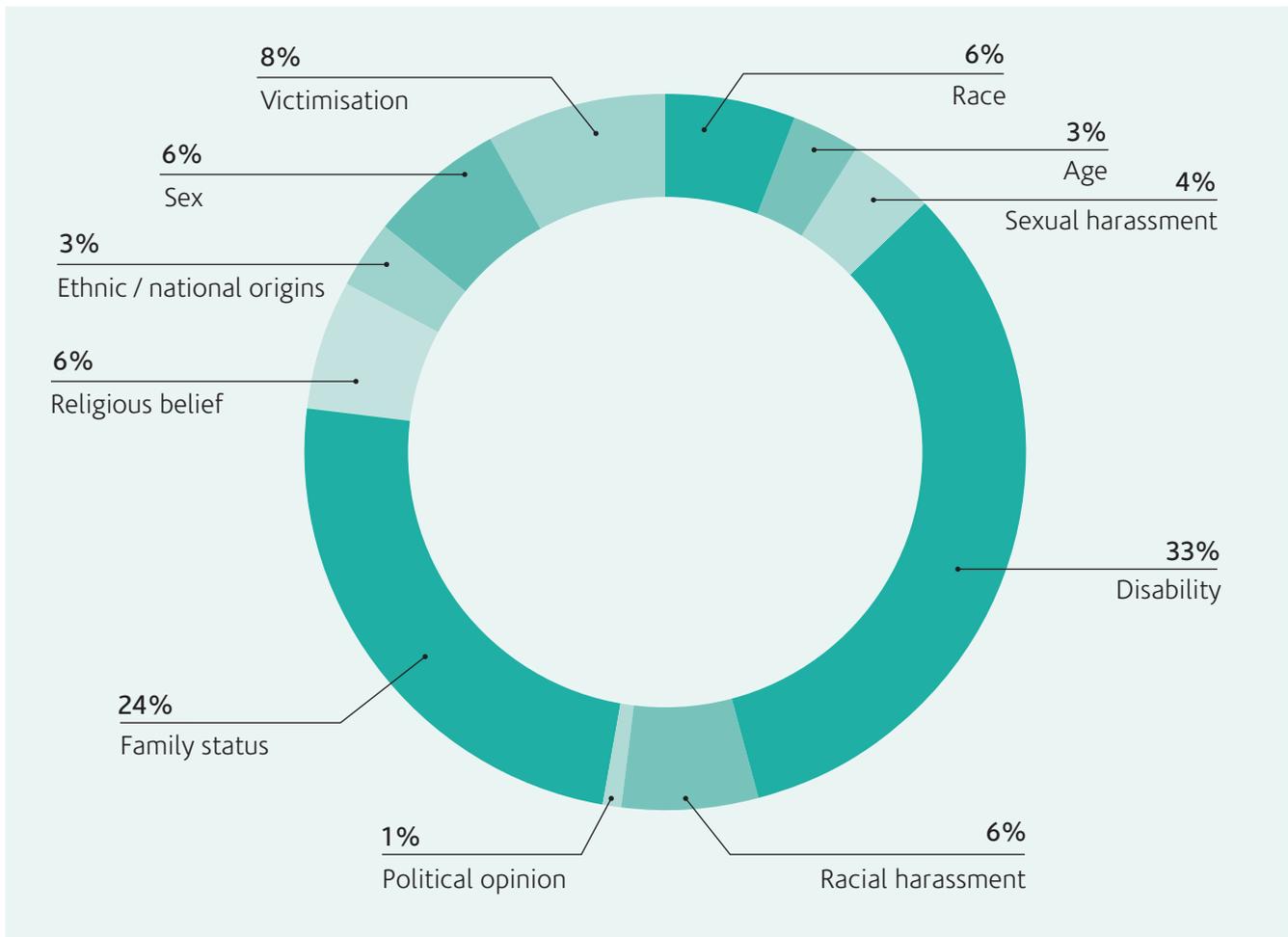
The following table shows the areas, the prohibited grounds of discrimination alleged, and the Director's decisions in respect to applications involving complaints under Part 2 of the Human Rights Act.

Area	Ground/other ⁸	Decision
Employment (25)	Sex (3)	Yes (1), Yes (S)(1), No (1)
	Race (4)	Yes (S)(1), NFA (2), Yes (1)
	Racial harassment (3)	Yes (2), No (1)
	Disability (6)	Yes (S)(1), Yes (2), No (3)
	Sexual harassment (1)	Yes (1)
	Victimisation (5)	NFA (2), No (3)
	Age (1)	No (1)
	Family status (2)	No (2)
Land, housing and other accommodation (3)	Religious belief (2)	Yes (2)
	Family status (1)	No (1)
Goods and services (4)	Disability (1)	Yes (S)(1)
	Religious belief (1)	No (1)
	Age (1)	No (1)
	Sexual harassment (1)	No (1)
Places, vehicles and facilities (4)	Sexual harassment (1)	Yes (S)(1)
	Racial harassment (1)	Yes (S)(1)
	Political opinion (1)	No (1)
	Disability (1)	No (1)

⁸ See n 3.

Decisions by ground

The following diagram shows all decisions, whether relating to Part 1A or Part 2, made by reference to the alleged prohibited grounds, as a percentage.⁹



Director's Privacy Act functions

The Director also has powers, duties and functions under the Privacy Act 1993. Significantly, the Director may bring privacy interference proceedings upon referral from the Privacy Commissioner.

The Director made two decisions on referrals from the Privacy Commissioner this reporting year, bringing proceedings in both cases. Another matter referred by the Privacy Commissioner was subsequently settled promptly, so the Director was not required to decide whether to bring proceedings.

The Director also made 29 decisions on invitations to intervene in proceedings before the Tribunal. There were no interventions.

⁹ See n 3.

Organisational health and capability

Te kaha ora o te Kāhui Tika Tangata

The Commission strives to continuously improve its services to foster excellence and delivery. We are committed to excellence and intelligent planning, aligned with agreed strategic objectives. We strive to find ways to be smarter, more productive and cohesive.

In the past financial year the Human Rights Commission adopted an all-encompassing work-place policy, The Ground We Stand On, which describes a framework to include the Commission's obligations to fulfill the legislative requirements as an independent Crown entity. With regard to the good employer obligations, The Ground We Stand On includes emphasis on the Commission's equal employment opportunities policies and recruitment practices. It also emphasises recognising the aims and aspirations of Māori and the need for involvement of Māori as employees of the Commission.

An integral part of the Commission's work programmes is aimed at improving outcomes for tangata whenua, and this is reflected in the organisation's employment and operational practices for Māori as employees of the Commission. The Commission's Treaty-Based Organisation programme aims to support staff in the promotion and advocacy of indigenous rights, Treaty of Waitangi rights, and tangata whenua human rights issues.

The Commission's public advocacy around equal employment opportunities is reflected in its internal practices, as the majority of employees are women and there is a high percentage of staff representing ethnic and social minorities.

Our activities this year are summarised against the seven good employer key elements:

Leadership, accountability and culture

- Talent-management toolkit developed and aligned to the performance framework
- Productivity workshop with management team
- Continuing work on Treaty-based cultural passport programme to increase relevance by engaging effectively with our external audience

Employee development, promotion and exit

- Twenty staff undertook professional development opportunities
- Performance development framework in place
- Exits and retirements aligned with Commission's employee agreements to reflect good practice

Flexibility and work design

- Organisation-wide flexible work programme
- Continued with the development and refinement of the Electronic Document and Record Management System and intranet, including migration to a Cloud-based server enabling effective remote access
- Business continuity plan revised and implemented

Recruitment, induction and selection

- Robust recruitment and selection processes in place to ensure diversity of age, ethnicity, gender and disability
- Working towards incorporating the accessibility charter into the recruitment and appointments process

Remuneration, recognition and conditions

- Reward and recognition programme 'Living our Values' implemented and staff were recognised in 2017-18 acknowledging individual performance and contribution
- New remuneration framework developed linked to individual performance and aligned with remuneration practice in the state sector. Annual remuneration review for the year in question has enabled all eligible staff to move into a zone that is within 3% of the mid-point.
- A simplified collective employment agreement negotiated with the PSA until 2020, which supports enhanced productivity, is operating effectively

Harassment and bullying prevention

- Strong values-based working environment
- Values and behaviours framework in place
- Employee code of conduct and relevant policies available on intranet

Safe and healthy environment

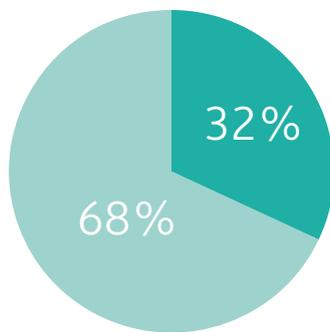
- Participation, including PSA engagement, as part of health and safety policy and training
- New online portal implemented to record hazards
- Zero lost-time workplace injuries
- Wellbeing initiatives – Employee Assistance Programme (EAP), ergonomic workstation assessments and onsite flu vaccinations

Workplace Profile¹⁰



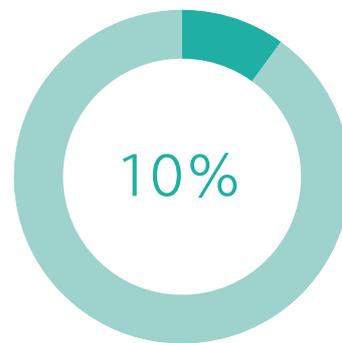
Personnel numbers have reduced by approximately 30% from 72 full-time equivalents in 2015, to around 51 at this time.

There are 43.6 FTEs, including Commissioners and 12 contractors, representing 8 FTE at present.



68% of our workforce are female

■ Female ■ Male



10% of our staff reported a disability

Age bracket	Total
16-25	2.94%
26-35	26.47%
36-45	17.65%
46-55	29.41%
56-65	17.65%
66+	5.88%

Ethnicity ¹¹	Total
NZ European	27
Other	12
Māori	8
Pasifika	4

Gender pay gap:¹²

Mid-level professionals and administrative	-13.9%
Experienced professionals	10.4%
Senior management team	-6.6%

¹⁰ Excluding Commissioners

¹¹ Respondents were able to identify with more than one ethnic group – so may be present in more than one category.

¹² Based on median hourly earnings

Human Rights Commission Statement of Responsibility

for the year ended 30 June 2018

Pursuant to section 155 of the Crown Entities Act 2004, we certify that:

- 1 We have been responsible for the preparation of these financial statements and the statement of performance and for the judgments in them.
- 2 We have been responsible for any end-of-year performance information provided by the Commission under section 19A of the Public Finance Act 1989, whether or not that information is included in this annual report.
- 3 We have been responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- 4 We are of the opinion that these financial statements and Statement of Performance fairly reflect the financial position as at 30 June 2018 and the operating results and cash flows of the Commission for the year ended 30 June 2018.

Approved on behalf of the Board of the Commission



Paula Tesoriero MNZM
Acting Chief Commissioner
Te Amokapua (rangitahi)
Disability Rights Commissioner
Kaihautū Tika Hauātanga



Dr Jackie Blue
Equal Employment Opportunities Commissioner
Kaihautū Ōritenga Mahi

24 October 2018

Statement of Performance

1 July 2017 to 30 June 2018

Whakatutukitanga Ratonga Tauākī

The *Statement of Performance* is a report on the Commission's performance against key activities, standards and measures set out in its Statement of Performance Expectations for 2017/18 and in the appropriation services from the Human Rights Commission.

Reporting results

The following sections of the *Statement of Performance* describe the 2017/18 performance results assessed against the appropriation services from the Human Rights Commission.

Progress made towards achieving the identified standards and performance measures are reported under the Commission's six output areas outlined in the Statement of Performance Expectations.

Output class statement – services from the Human Rights Commission

	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Revenue			
Crown	9,696	9,696	9,496
Other	389	302	729
Total revenue	10,085	9,998	10,225
Total expenses	10,136	10,236	11,122
Net surplus/(deficit)	(51)	(238)	(897)

Output performance 2017/18

Output 1: Human rights education, promotion, and advocacy programmes that are delivered effectively

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Increased reach and relevance	The number of downloads and access to Commission digital information ¹³	39,713 Baseline 35,000	8% Increase from previous year (42,890)	Achieved 50,080
	Percentage of civil society and government stakeholders that provide positive feedback about key HRC external events ¹⁴	90%	70%	Achieved 90%
Increase the understanding of the human rights dimensions of the Treaty of Waitangi (Te Mana i Waitangi)	Percentage of engaged civil society and government stakeholders that provide positive feedback on the effectiveness of Te Mana i Waitangi training, promotion, and education	Baseline of 70% established	70%	Achieved 90%

Output 2: Effective engagement with government, civil society and business to protect human rights and reduce barriers to inclusion

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Engagement with government, civil society and business to effect positive human rights changes	Percentage of planned engagements ¹⁵ that result in actions that progress positive change	77%	75%	Achieved: 88%

¹³ This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

¹⁴ Measured through formal feedback solicited at key external events.

¹⁵ Includes face-to-face and written engagement including, but not limited to, facilitation of events. Engagements occur in line with the strategic objectives and advocacy areas as defined in the Commission's business plan.

Output 3: Legal interventions in courts and tribunals promote human rights

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Legal interventions to promote human rights	Number of new legal interventions ¹⁶ the Commission engages in related to significant human rights matters ¹⁷	3	2	Achieved 3 ¹⁸

Output 4: Recommending, monitoring and reporting on human rights standards to government, civil society and business

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Monitoring and analysing progress in improving equal opportunity employment opportunities in New Zealand and reporting on the outcomes	Number of Crown entities per year improving on their previous compliance rating ¹⁹	31	Increase from previous year	Achieved: 32
Coordination of monitoring mechanisms and publication of reports associated with CRPD, OPCAT and EMRIP/UNDRIP ²⁰	Thematic report(s) completed and published	1 OPCAT NPM Annual report published Seclusion and Restraint report published	1	Achieved: OPCAT NPM Annual Report published
	Number of national preventative mechanism (NPM) ²¹ meetings arranged and held	3 meetings held	2 meetings per year	Achieved: 3 meetings held

16 The Commission intervenes in legal proceedings in courts and tribunals when there are significant human rights issues involved and where our participation will contribute positively to the development of jurisprudence, policies or practice that will enhance observance of human rights in New Zealand. Legal interventions require significant preparatory work, input and time commitment due to the nature of key human-rights-issue cases brought before the courts.

17 This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

18 The three new legal interventions were originally initiated in prior years. However, since the cases were respectively removed to the High Court, appealed to the High Court, and appealed to the Supreme Court in the current financial year, new interventions were accordingly initiated.

19 Relates to Crown entities that are progressing towards 100% compliance

20 The Commission, reporting to United Nation treaty-monitoring bodies, works with government and civil society, providing reports, advice and technical assistance in response to periodic compliance examinations.

21 The Commission's role as National Preventive Mechanism (NPM) mandates the Commission to monitor places of detention and produce annual reports on its activities, issues and recommendations made.

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
	Number of UNDRIP, CRPD independent monitoring mechanism (IMM) ²² meetings arranged and held	Achieved	2 meetings per year	Achieved 2 meetings of UNDRIP IMM held and participation in 4 meetings of the CRPD IMM
NPA monitors the Government's actions to address UPR and other international treaty recommendations	Number of updates to the NPA tool to reflect changes to actions ²³	Achieved	2	Achieved 2
	Report produced on the status of human rights based on the NPA ²⁴	Achieved	Annually	Achieved NPA Annual Report produced
International commitments, engagements and activities have a positive impact in the realisation of human rights	Percentage of international interactions that have a positive impact ²⁵	Achieved	70%	Achieved: 100%
Independence, credibility and effectiveness in discharging the functions of a NHRI	Maintaining International A-status accreditation as National Human Rights Institution (NHRI) ²⁶	Achieved	Achieved	Achieved A-status accreditation
	NZs compliance with ratified human rights treaties is reported on through timely monitoring reports to UN bodies	Achieved	Achieved	Achieved

22 The HRC's role as monitoring mechanism (IMM) mandates it to monitor and report on the Government's performance against the obligations in the Convention on the Rights of Persons with Disabilities.

23 This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

24 The NZ Government's human rights record was reviewed by the United Nations as part of the Universal Periodic Review (UPR). The NPA monitors the Government's actions on the 121 recommendations it accepted. The Commission works with government and civil society on how to successfully address the identified issues and monitor progress. An indicators framework that measures the outcomes from those actions and progress against UN treaty body recommendations has been developed and a report is produced annually on the status of human rights based on the actions that will progress the UPR recommendations accepted by the Government.

25 The Commission participates in a number of international commitments and engagements, which aim to have a positive impact in the realisation of human rights, not only locally but also in the international sphere. Impact is measured by inclusion or acceptance of the Commission's contributions into the advice, guidelines and directives by international institutions and guiding bodies that contribute to the advancement of human rights.

26 The Commission has an A-status accreditation as a National Human Rights Institution with the Global Alliance of National Human Rights Institutions (GANHRI). This status is the highest recognition of the independence a national human rights institution can achieve. NHRIs which are awarded A-status are recognised for their credibility and professionalism. It shows that the NHRI "is legitimate, relevant and effective in promoting human rights at the national level" (OHCHR, 2012). A-status also provides formal participation in the United Nations Human Rights Council and engagement with other UN treaty bodies. Re-accreditation occurs every five years involving a sub-committee of GANHRI, and approval of the organisation on behalf of the United Nations.

Output 5: Human rights enquiries and complaints received are advanced and concluded within agreed timeframes and standards

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Human rights enquiries and complaints are handled by a responsive and effective dispute-resolution service	Percentage of customers satisfied with the mediation process ²⁷	95%	90%	Not achieved ²⁸ 84% ²⁹
	Percentage of complaints of unlawful discrimination that are closed within one year ³⁰	97%	80%	Achieved 98%

Output 6: Applications for legal representation under the Human Rights Act 1993 and referrals received under the Privacy Act 1993, and associated litigation are progressed within the agreed timeframes and in accordance with expected professional legal standards

Objective	Measure	2016/17 Result	2017/18 Standard	2017/18 Result
Responsive and timely decision making	Percentage of applications decided within four months ³¹	84%	80%	Achieved 91%

27 This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

28 The method of capturing and analysing satisfaction with the mediation process was changed through the year but there has been no adjustment to the SPE measure. Information is captured based on a revised method of calculation, which may not necessarily indicate a decline in satisfaction rate.

29 The mediation satisfaction rate is measured as a simple ratio of the final question in a SurveyMonkey questionnaire which reads: "Overall, how satisfied were you with the mediation process?". 413 questionnaires were sent out and 114 were returned – a response rate of 27.6%. The margin of error is ± 5.79 percentage points at the 95% confidence level. Survey Monkey has some limitations. Records can be deleted and modified and the reported result may not be completely free from error.

30 This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

31 This measure is included in the services from the Human Rights Commission's non-departmental appropriation for Vote Justice for 2017-18.

Financial Statements Tauākī pūtea

Human Rights Commission Statement of Comprehensive Revenue and Expense

for the year ended 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Revenue				
Revenue from the Crown		9,696	9,696	9,496
Interest received		108	121	107
Other revenue		281	181	622
Total revenue	2	10,085	9,998	10,225
Expenses				
Personnel costs	3	7,325	7,252	7,736
Other expenses	4	1,495	1,405	1,915
Projects and programmes		610	931	945
Travel costs		552	479	387
Depreciation and amortisation		154	169	139
Total expenses		10,136	10,236	11,122
Net surplus / deficit		(51)	(238)	(897)
Other comprehensive revenue and expense		-	-	-
Total comprehensive revenue and expense		(51)	(238)	(897)

Explanations of major variances from budget are detailed in note 17.

The accompanying notes form part of the financial statements.

Human Rights Commission Statement of Financial Position

as at 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Equity				
Accumulated funds		1,677	1,496	1,728
Total equity		1,677	1,496	1,728
Current assets				
Cash and cash equivalents		125	241	360
Term deposits		1,700	1,000	1,640
Receivables	5	70	26	40
Prepayments		118	56	103
Total current assets		2,013	1,323	2,143
Current liabilities				
Payables	6	617	346	567
GST payable		135	120	111
Employee entitlements	7	359	380	602
Total current liabilities		1,111	846	1,280
Working capital		902	477	863
Non-current assets				
Property, plant and equipment	8	919	957	1,030
Intangible assets	9	1	183	2
Total non-current assets		920	1,140	1,032
Non-current liabilities				
Payables	6	60	60	79
Employee entitlements	7	85	61	88
Total non-current liabilities		145	121	167
Net assets		1,677	1,496	1,728

The accompanying notes form part of the financial statements.

Human Rights Commission Statement of Changes in Equity

for the year ended 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Balance at 1 July		1,728	1,734	2,625
Total comprehensive revenue and expense		(51)	(238)	(897)
Balance at 30 June		1,677	1,496	1,728

The accompanying notes form part of the financial statements.

Human Rights Commission Statement of Cash Flows

for the year ended 30 June 2018

	Notes	Actual 2018 \$000	Budget 2018 \$000	Actual 2017 \$000
Cash flows from operating activities				
Receipts from the Crown		9,696	9,696	9,496
Receipts from other sources		431	193	382
Interest received		88	121	163
Payments to commissioners and employees		(6,230)	(7,252)	(6,272)
Payments to suppliers		(4,098)	(3,069)	(4,275)
Goods and services tax (net)		24	34	(3)
Net cash flow from operating activities		(89)	(277)	(509)
Cash flows from investing activities				
Maturity of term deposits		3,190	3,640	4,590
Sales of property, plant and equipment		10	5	201
Placement of term deposits		(3,250)	(3,000)	(3,830)
Purchases of property, plant and equipment		(96)	(140)	(771)
Purchases of intangible assets		-	(190)	-
Net cash flow from investing activities		(146)	315	190
Net increase/(decrease) in cash		(235)	38	(319)
Cash and cash equivalents at the beginning of the year		360	203	679
Cash and cash equivalents at the end of the year		125	241	360

The accompanying notes form part of the financial statements.

Human Rights Commission Notes to the Financial Statements

for the year ended 30 June 2018

1 Statement of accounting policies

Reporting entity

The Human Rights Commission is a Crown entity as defined by the Crown Entities Act 2004. The Commission's functions and responsibilities are set out in the Human Rights Act 1993 and Crimes of Torture Act 1989 and it has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the Commission are for the year ended 30 June 2018 and were approved by the Board of the Commission on 24 October 2018.

Basis of preparation

The financial statements have been prepared on a going-concern basis and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of the Commission have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards as appropriate for public sector entities. The Commission is eligible to apply Tier 2 PBE accounting standards because it does not have public accountability, as defined in the PBE accounting standards, and its total expenses are less than \$30 million.

These financial statements comply with PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Summary of significant accounting policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

The specific accounting policies for significant revenue items are explained below:

Revenue from the Crown

The Commission is primarily funded by revenue received from the Crown through the Ministry of Justice for the provision of outputs. This funding is dedicated to the Commission meeting the objectives specified in the Human Rights Act 1993 and Crimes of Torture Act 1989 and the scope of the relevant appropriations of the funder. The Commission considers there are no conditions attached to the funding and it is recognised as non-exchange revenue at the point of entitlement. The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Interest received

Interest revenue is recognised using the effective interest method.

Rental revenue

Lease receipts under an operating sublease are recognised as revenue on a straight-line basis over the lease term.

Provision of services

Services provided to third parties on commercial terms, such as the provision of advice and educational workshops, are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date.

Grants received

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Project and programme costs

Costs, other than personnel and travel costs, that are directly attributable to a project or programme activity are reported in the statement of comprehensive revenue and expense as project and programme costs.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit in the statement of comprehensive revenue and expense as a reduction in rental expense over the lease term.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and funds on deposit at banks with an original maturity of three months or less.

Term deposits

Term deposits include funds on deposit at banks with an original maturity of more than three months and are initially measured at the amount invested. Term deposits that will be recovered more than three but no more than 12 months after the reporting date are classified as current. Term deposits that will be recovered more than 12 months after the reporting date are classified as non-current and the amount expected to be recovered after more than 12 months is disclosed.

Receivables

Short-term receivables are recorded at their face value, less any provision for impairment.

A receivable is considered impaired when there is evidence that the Commission will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Property, plant and equipment

Property, plant and equipment consists of equipment, furniture and fittings, and leasehold improvements. Property, plant and equipment are measured at cost less any accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably.

Work in progress is measured at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported as a net amount in the surplus or deficit in the statement of comprehensive revenue and expense.

Subsequent costs

Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Commission and the cost of the

item can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit in the statement of comprehensive revenue and expense as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Equipment	2–12 years	8.3–50%
Furniture and fittings	5–17 years	5.9–20%
Leasehold improvements	9–12 years	8.3–11.1%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvement, whichever is the shorter.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible assets

Software acquisition

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software, the development and maintenance of the Commission's website, and staff-training costs are recognised as an expense when incurred.

Trademarks

Trademarks are capitalised based on the costs incurred to register the trademark with the Intellectual Property Office of New Zealand.

Amortisation

The carrying value of an intangible asset with a

finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired software	3–5 years	20–33%
Trademarks	10 years	10%

Impairment of property, plant and equipment and intangible assets

Cash-generating assets

The Commission does not hold any property, plant and equipment or intangible assets that are cash-generating. Assets are considered cash-generating where their primary objective is to generate a commercial return, otherwise they are considered non-cash generating.

Non-cash-generating assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit in the statement

of comprehensive revenue and expense. The reversal of an impairment loss is also recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. An intangible asset that is not yet available for use at the balance date is tested for impairment annually.

Payables

Short-term payables are recorded at their face value. Leasehold incentives with an unexpired portion beyond 12 months are recorded at face value and classified as a non-current liability.

Employee entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Permanent employees are entitled to actual and reasonable sick leave to recover from genuine illness, but entitlements do not accumulate and are recognised as an expense when the absence occurs.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long-service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on:

- 1 likely future entitlements accruing to staff based on years of service, years to entitlement, the likelihood that staff will reach the point

of entitlement, and contractual entitlements information, and

- 2 the present value of the estimated future cash flows.

Presentation of employee entitlements

Accrued salaries and wages, bonuses, annual leave, vested long-service leave and cessation payments are classified as a current liability. Non-vested long-service leave and retirement leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit in the statement of comprehensive revenue and expense as incurred.

Defined benefit schemes

The Commission does not make contributions to defined benefit schemes.

Provisions

A provision is recognised for future expenditure of an uncertain amount or timing when there is a present obligation (either legal or constructive) because of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in finance costs.

Organisational change costs

A provision for organisational change costs arising from restructuring is recognised when either an

approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation of it has already started.

Commitments

Expenses yet to be incurred on non-cancellable contracts that have been entered into on or before balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are disclosed at the value of that penalty or exit cost.

Accumulated funds

Accumulated funds are the net surpluses and deficits that have accumulated over time and represent the Crown's investment in the Commission. Accumulated funds are measured as the difference between total assets and total liabilities.

Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue (IRD) is presented in the statement of financial position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Commission is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of Performance Expectations approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with New Zealand GAAP using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, the Commission has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Estimating useful lives and residual values of property, plant and equipment and intangible assets

At each balance date, the useful lives and residual values of property plant and equipment and intangible assets are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment and intangible assets requires several factors to be considered such as the physical condition of the asset, expected period of use of the asset by the Commission, and expected disposal proceeds from the future sale of the asset. An incorrect estimate of the useful life or residual value will affect the depreciation or amortisation expense recognised in the surplus or deficit in the statement of comprehensive revenue and expense, and the carrying amount of the asset in the statement of financial position. Some useful life estimates have been updated this year in response to changes to the asset base following ordinary additions and disposals.

Notes 8 and 9 detail the carrying amounts of property, plant and equipment and intangible assets respectively.

Retirement and long service leave

Note 7 details the critical estimates and assumptions made in relation to retirement and long-service leave liabilities.

Critical judgements in applying accounting policies

Acquired software

The Commission has exercised judgment to determine whether expenditure on configuring and implementing a financial management information system meets the criteria for recognition as an intangible asset. This included an assessment of whether the expenditure creates an item that can be identified and separated from the Commission,

is under the control of the Commission, and will provide future economic benefits or service potential. Because the software is provided as a service by a public service agency, and no binding arrangements existed at the time of implementation, the criteria for recognition as an intangible asset has not been met. Accordingly, costs to configure the software have been expensed.

Comparative information

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

2 Revenue

	2018	2017
	\$000	\$000
Revenue from non-exchange transactions		
Revenue from the Crown	9,696	9,496
Other revenue	39	48
Total revenue from non-exchange transactions	9,735	9,544
Revenue from exchange transactions		
Interest received	108	107
Other revenue	242	574
Total revenue from exchange transactions	350	681
Total revenue	10,085	10,225

Other revenue in 2017 included compensation received for the early surrender of an office lease at the landlord's request.

3 Personnel costs

	2018 \$000	2017 \$000
Salaries and wages	6,141	6,162
Employer contributions to defined contribution plans	114	127
Increase/(decrease) in employee entitlements	(246)	254
Other ³²	1,316	1,193
Total personnel costs	7,325	7,736

Personnel costs include the Commissioners and Director of Human Rights Proceedings, who are appointed by warrant of the Governor-General and are therefore not employees.

Employer contributions to defined contribution plans include contributions to KiwiSaver.

Personnel costs were \$411,000 lower than last year due to lower annual leave balances and higher cessation payments in 2017.

Note 7 details employee entitlements owing at balance date.

4 Other expenses

	2018 \$000	2017 \$000
Operating lease expense	458	475
Information and communications technology	258 ³³	711
Other operating costs	779	729
Total other expenses	1,495	1,915

Expenditure on information and communications technology in 2017 included costs to implement an electronic document records management system and intranet.

32 Relates to short-term contractors and professional development.

33 Costs relating to the financial management information system are included in other operating costs.

5 Receivables

	2018 \$000	2017 \$000
Receivables under exchange transactions		
Accrued revenue	37	17
Debtors	3	-
Total receivables under exchange transactions	40	17
Receivables under non-exchange transactions		
Debtors	30	23
Total receivables under non-exchange transactions	30	23
Total receivables	70	40

The carrying value of receivables approximates their fair value. All receivables have been assessed for impairment and there is no impairment.

6 Payables

	2018 \$000	2017 \$000
Current portion		
<i>Payables under exchange transactions</i>		
Creditors	337	386
Revenue received in advance	100	-
Lease incentive	19	19
Total current payables under exchange transactions	456	405
<i>Payables under non-exchange transactions</i>		
Revenue received in advance	80	1
PAYE tax payable	81	161
Total current payables under non-exchange transactions	161	162
Total current portion	617	567
Non-current portion		
<i>Payables under exchange transactions</i>		
Lease incentive	60	79
Total non-current payables under exchange transactions	60	79
Total non-current portion	60	79
Total payables	677	646

7 Employee entitlements

	2018 \$000	2017 \$000
Current portion		
Accrued salaries, redundancy and one-time payments	145	290
Annual leave	192	292
Retirement and long service leave	22	20
Total current portion	359	602
Non-current portion		
Retirement and long service leave	85	88
Total non-current portion	85	88
Total employee entitlements	444	690

Employee entitlements payable at 30 June 2018 were \$246,000 lower than last year because of lower annual leave balances and the settlement of one-time and cessation payments relating to the prior year.

The liability for retirement and long-service leave entitlements is carried at the present value of estimated future cash flows, calculated based on several factors determined on an actuarial basis.

Two key assumptions used in calculating the retirement and long-service leave liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The salary inflation factor has been determined based on the long-term annual increase in salaries and wages expected by the New Zealand Treasury. A discount rate of 3.55 percent (2017: 3.92 percent) and an inflation factor of 3.1 percent (2017: 3.1 percent) were used.

Because the carrying amount of the retirement and long-service leave liability is small, the impact of either the discount rate or salary inflation factor differing by one percentage point from that used is negligible.

8 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	Equipment \$000	Furniture & Fittings \$000	Leasehold Improvements \$000	Library \$000	Motor Vehicles \$000	Total \$000
Cost						
Balance at 1 July 2016	591	286	210	115	46	1,248
Additions	37	48	624	-	-	709
Disposals	(114)	(12)	(61)	(115)	(46)	(348)
Balance at 30 June 2017	514	322	773	-	-	1,609
Balance at 1 July 2017	514	322	773	-	-	1,609
Additions	83	5	8	-	-	96
Disposals	(166)	-	-	-	-	(166)
Balance at 30 June 2018	431	327	781	-	-	1,539
Accumulated depreciation and impairment losses						
Balance at 1 July 2016	377	183	62	115	46	783
Depreciation expense	65	13	60	-	-	138
Eliminate on disposal	(109)	(10)	(62)	(115)	(46)	(342)
Balance at 30 June 2017	333	186	60	-	-	579
Balance at 1 July 2017	333	186	60	-	-	579
Depreciation expense	73	15	65	-	-	153
Eliminate on disposal	(112)	-	-	-	-	(112)
Balance at 30 June 2018	294	201	125	-	-	620
Carrying amounts						
At 1 July 2016	214	103	148	-	-	465
At 30 June and 1 July 2017	181	136	713	-	-	1,030
At 30 June 2018	137	126	656	-	-	919

There are no restrictions over the title of the Commission's property, plant and equipment, nor are any assets held under finance leases or pledged as security for liabilities (2017: nil).

9 Intangible assets

Movements for each class of intangible asset are as follows:

	Acquired Software \$000	Trademarks \$000	Total \$000
Cost			
Balance at 1 July 2016	95	4	99
Disposals	(7)	-	(7)
Balance at 30 June 2017	88	4	92
Balance at 1 July 2017	88	4	92
Disposals	-	-	-
Balance at 30 June 2018	88	4	92
Accumulated amortisation and impairment losses			
Balance at 1 July 2016	91	3	94
Amortisation expense	1	-	1
Eliminate on disposal	(5)	-	(5)
Balance at 30 June 2017	87	3	90
Balance at 1 July 2017	87	3	90
Amortisation expense	1	-	1
Eliminate on disposal	-	-	-
Balance at 30 June 2018	88	3	91
Carrying amounts			
At 1 July 2016	4	1	5
At 30 June and 1 July 2017	1	1	2
At 30 June 2018	-	1	1

There are no restrictions over the title of the Commission's intangible assets, nor are any intangible assets pledged as security for liabilities (2017: nil).

10 Capital commitments and operating leases

Capital commitments

At the balance date there were no capital commitments (2017: nil).

Operating leases

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2018 \$000	2017 \$000
Not later than one year	311	340
Later than one year and not later than five years	1,244	1,358
Later than five years	1,577	2,041
Total non-cancellable operating leases	3,132	3,739

A significant portion of the total non-cancellable operating lease expense relates to the lease of one floor of an office building in Auckland, part of which is subleased to the Energy Efficiency and Conservation Authority (EECA). The initial term ends in August 2022 with an option to renew for a further six years and final expiry date of August 2028. The Commission has assumed it will exercise the renewal.

The remainder of the non-cancellable operating lease expense relates to the lease of a small portion of floor space in the Christchurch Integrated Government Accommodation campus. During the 2018 year the portion of floor space leased was reduced. The lease expires in November 2027.

The Commission does not have the option to purchase the assets at the end of the lease terms and there are no restrictions placed on the Commission by any of the leasing arrangements.

The Commission also occupies office space in Wellington, on a shared services arrangement with EECA.

11 Contingencies

Contingent liabilities

Make-good obligations

If the Commission does not exercise the option to renew the lease of its Auckland office space, then, upon expiry of the lease, it must make-good the premises. The make-good obligations require all chattels and leasehold improvements be removed and the premises reinstated. The Commission has assumed it will exercise the option to renew (2017: same).

Contingent assets

The Commission has no contingent assets (2017: nil).

12 Related party transactions and key management personnel

The Commission is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those it is reasonable to expect the Commission would have adopted in dealing with a party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

	2018	2017
Commissioners and Director of Human Rights Proceedings		
Total remuneration	\$1,375,589	\$1,382,710
Full-time equivalent members	5.1	5.6
Senior Management Team		
Total remuneration	\$1,454,629	\$1,841,287
Full-time equivalent members	7.9	9.1
Total key management personnel compensation	\$2,830,218	\$3,223,997
Total full-time equivalent personnel	13	14.7

Full-time equivalent values have been pro-rated for positions that were not part of the senior management team for the full year.

During the financial year, the number of Commissioners in office changed from three full-time and three part-time Commissioners to two full-time Commissioners. The structure of the senior management team also changed and resulted in a net reduction of one position. Another senior management position was vacant for part of the year.

13 Commissioners' and other committee member's total remuneration

Total remuneration includes all benefits paid or payable to each Commissioner, Director and committee member during the financial year. This includes accrued leave entitlements paid to two Commissioners, who vacated office on 30 June 2018 (2017: nil).

Position	Member	Term ended	2018 \$	2017 \$
Chief Commissioner	David Rutherford	30 June 18	360,532	340,091
Commissioner (part-time)	Karen Johansen	30 July 17	15,890	83,250
Commissioner (part-time)	Richard Tankersley	30 July 17	14,030	77,700
Director of Human Rights Proceedings	Robert Kee	-	234,000	227,985
Disability Rights Commissioner	Paula Tesoriero ³⁴	-	223,041	-

³⁴ Commenced on 31 July 2017

Disability Rights Commissioner (part-time)	Paul Gibson	30 July 17	26,328	186,723
Equal Employment Opportunities Commissioner	Jackie Blue	-	240,000	233,491
Race Relations Commissioner	Susan Devoy	30 June 18	261,769	233,470
Audit Committee Chair	Graeme R Mitchell	-	3,024	2,213

Indemnity insurance

The Commission effected Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of commissioners, the Director and employees.

14 Employee remuneration

As a Crown entity, the Commission is required to disclose in its annual report the number of employees receiving total remuneration of \$100,000 or more per annum. Total remuneration includes end-of-contract payments such as contractual notice pay and accrued leave entitlements but excludes cessation payments. In compliance, the table below has been produced, which is in \$10,000 bands to preserve the privacy of individuals. Because Commissioners and the Director are not employees of the Commission they are not included in the table.

Remuneration of employees over \$100,000 per annum

Total remuneration p.a.	Number of employees	
	2018	2017
\$100,000 – \$110,000	6	6
\$110,001 – \$120,000	3	5
\$120,001 – \$130,000	-	-
\$130,001 – \$140,000	1	-
\$140,001 – \$150,000	2	1
\$150,001 – \$160,000	1	1
\$160,001 – \$170,000	2	4
\$170,001 – \$180,000	1	2
\$180,001 – \$190,000	-	-
\$190,001 – \$200,000	-	-
\$200,001 – \$210,000	-	-
\$210,001 – \$220,000	-	-
\$220,001 – \$230,000	-	-
\$230,001 – \$240,000	-	-
\$240,001 – \$250,000	-	1
\$250,001 – \$260,000	-	-
\$260,001 – \$270,000	1	-

Cessation payments

During the year ended 30 June 2018, payments totalling \$230,000 were made to five employees in relation to their cessation of employment (2017: four employees, total \$128,000).

15 Events after the balance date

There were no significant events after the balance date.

16 Categories of financial instruments

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows:

	2018 \$000	2017 \$000
Loans and receivables		
Cash and cash equivalents	125	360
Term deposits	1,700	1,640
Receivables	70	40
Total loans and receivables	1,895	2,040
Financial liabilities measured at amortised cost		
Payables (excluding revenue in advance and taxes payable)	337	386
Total financial liabilities measured at amortised cost	337	386

17 Explanation of major variances from budget

Statement of comprehensive revenue and expense

Spending on projects and programmes was \$321,000 or 34 percent less than budgeted because some activities were deferred to the following year and others did not proceed because of the impact of the Ministerial Review.

Travel costs were \$73,000 or 15 percent more than budgeted due to increased domestic travel to better support community consultations and an attendance at an international event related to a project.

Statement of financial position

Total assets were \$470,000 or 19 percent more than budgeted and total liabilities were \$289,000 or 30 percent more than budgeted. This resulted in accumulated funds that were \$181,000 or 12 percent more than budgeted.

Significant variances were:

- Term deposits were \$700,000 or 70 percent more than budgeted due to the timing of expenditure and available cash.

- Receivables were \$44,000 or 169 percent more than budgeted due to funding to be received relating to the unanticipated grant activities.
- Non-current assets were \$220,000 or 19 percent less than budgeted, largely due to a change in the accounting treatment of implementation costs for a new financial information management system, which were expensed.
- Payables were \$271,000 or 78 percent more than budgeted, primarily due to revenue received in advance for contracted project activities.

Statement of cash flows

Receipts from other operating sources were higher than expected because of revenue received in advance for contracted project activities that will be delivered in 2018-19.

Term deposits placed and term deposits that reached maturity during the year were both lower than expected because deposits turned over less frequently as a result of being placed on longer terms.

Independent Auditor's Report Pūrongo arotake

To the readers of the Human Rights Commission's financial statements and performance information for the year ended 30 June 2018

The Auditor-General is the auditor of the Human Rights Commission. The Auditor-General has appointed me, JR Smaill, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for appropriations, of the the Human Rights Commission on his behalf.

Opinion

We have audited:

- the financial statements of the Human Rights Commission on pages 57 to 77, that comprise the statement of financial position as at 30 June 2018, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the the Human Rights Commission on pages 17 to 41 and 52 to 56.

In our opinion:

- the financial statements of the the Human Rights Commission on pages 57 to 77:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2018; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and

- the performance information on pages 17 to 41 and 52 to 56:
 - presents fairly, in all material respects, the Human Rights Commission's performance for the year ended 30 June 2018, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriation;
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 24 October 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the the Human Rights Commission for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Human Rights Commission for assessing the Human Rights Commission's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Human Rights Commission, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or

omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Human Rights Commission's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Human Rights Commission's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Human Rights Commission's framework for reporting its performance.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Human Rights Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Human Rights Commission to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 5 to 16 and 42 to 51, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Human Rights Commission in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Human Rights Commission.



JR Smail

Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand



Human Rights Commission
Te Kāhui Tika Tangata

