



Human Rights Commission
Te Kāhui Tika Tangata

Annual Report Pūrongo ā Tau

2015 / 16

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 2016

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 2016.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D. Rutherford'.

David Rutherford
Chief Commissioner
Te Amokapua

The Hon. Minister of Justice

Minister

Pursuant to section 92A(4) of the Human Rights Act 1993, I hereby transmit to you pages 33 to 36 of this report as the Annual Report of the Director of the Office of Human Rights Proceedings for the year ended 30 June 2016.

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?

13

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

29

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

33

Human Rights Commission
Statement of Responsibility
for the year ended 30 June
2016

37

Statement of
Performance
Whakatutukitanga
Ratonga Tauākī

38

Financial Statements
Tauākī pūtea

45

Human Rights Commission
Notes to the Financial
Statements for the year
ended 30 June 2016

50

Independent
Auditor's Report
Pūrongo arotake

65

Foreword

Wāhinga kōrero

The Human Rights Commission has achieved a key objective in the past year, to retain “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 independence that a national human rights institution can achieve and provides the right to speak at the United Nations and to make written statements for inclusion in the official record of meetings. The Commission is required to apply for re-accreditation every five years.

Successful achievement of “A” status accreditation sends a strong signal internationally about New Zealand’s commitment to effectively promote and protect human rights.

In the past year we increased our focus on business and human rights, recognising that the business and human rights landscape has changed. The UN Guiding Principles on Business and Human Rights outline steps businesses should take to embed human rights into their daily operations and provides a framework for managing human rights risks. Our partnerships with the New Zealand Superannuation Fund and major corporations in New Zealand were developed for investors and business and a programme of events designed to strengthen New Zealand’s corporate human rights practice.

New Zealand businesses are increasingly recognising that respecting human rights is not just the right thing to do – it’s also good for business. Businesses also need to consider the rights of people in every country their business impacts. In March 2016, we published the *Business of Human Rights*, an overview for business on how to be good corporate citizens.

Many of the business-related complaints we deal with are about employment and pre-employment discrimination. The Commission also published the *A–Z Pre-Employment Guide to Human Rights for Employers and Employees*, a set of guidelines aimed at ensuring equality and fairness for all job applicants, regardless of characteristics such as gender, ethnicity, age, disability and religion.

Harmonious Relations

Working with Government and stakeholders, the Commission advocated for an increase in the annual refugee resettlement quota, alongside a commitment to alternative forms of admission to people of refugee backgrounds. The quota was increased by the New Zealand Government in 2016 from 750 to 1000.

Development of our first nationwide anti-racism campaign was initiated during the period of this report, with financial assistance from the Ministry of Business, Innovation and Employment (MBIE). The campaign aims to reduce the proportion of recent migrants who have experienced discrimination and will work towards creating a culture in which racist attitudes, statements and actions are considered unacceptable

by a majority of New Zealanders. The campaign will include an online platform to engage New Zealanders and generate greater awareness of racism and how it can be prevented. It will go live during the second half of 2016.

The Commission is committed to a high level of engagement with civil society and a strong presence in diverse communities facing issues in achieving equal treatment. To this end, the Race Relations Commissioner continues to be pro-active and committed in engaging with representatives from a wide range of ethnic and religious backgrounds.

Discrimination and Inequality

The 2015 Ministry for Women Gender Stocktake Report shows the number of women ministerial appointments to state sector boards and committees was 43.4 percent as at 31 December 2015. This is a significant increase from 41.7 percent for the year ending December 2014, a figure which had essentially stagnated for more than 10 years.

While Government continues to lead by example, with the highest ever percentage of women on State Sector boards and committees, results show further work is needed to achieve the original 45 percent target. Although women's participation on public sector boards and committees has increased, the private sector still lags behind, with only 17 percent female representation.

The Commission's "Tracking Equality at Work" web-based tool has been updated with the most recent data from 2015. It allows progress towards equality to be tracked and provides increased visibility to data about Māori and Pacific people in employment.

Violence and abuse in communities, as well as family violence, sexual violence and bullying in schools remain major human rights issues. Last year we advocated for businesses to introduce anti-violence policies and programmes. A number of these policies were implemented with major New Zealand companies.

The Human Rights Commission welcomed the launch of a new online application to empower more women to deal with, or escape, abusive or controlling relationships. The '1 in 3 Be Free' web-based application is an educational tool designed to help women screen for abuse in their relationship. It educates them on the different types of abuse and connects them with support services in their region of New Zealand – should they require it.

Bullying in schools has also been a key focus of the Commission's work on discrimination and inequality. Work continues with the Bullying Prevention Advisory Group to facilitate national data collection on the nature and extent of bullying in New Zealand schools.

Inclusive and Just Society

Our disability rights strategic advocacy supports a more inclusive and just society and has resulted in a number of positive outcomes. The Commission led the publication of the CRPD Independent Monitoring Mechanism *Right to Education* interim report, with good feedback and engagement from civil society. Working with the Ministry of Education, we have supported and progressed inclusive education and increased information-sharing and transparency among agencies.

The Commission supported the successful election of Robert Martin to the Committee on the Rights of Persons with Disabilities. He is the first person in the world with an intellectual disability on any UN Committee.

The Commission held a multi-sector roundtable on the practice of gender normalisation of intersex children in New Zealand. We also continue to advocate for full realisation of the rights of Gay, Lesbian, Bisexual, Transsexual and Intersex New Zealanders.

Civil and Political Rights

The Cullen Reddy Review on data and surveillance was published in 2015. The review resulted from concerns first raised by the Commission in 2013. The Commission identified issues regarding proposed security and intelligence legislation and called for a review of all legislation and stronger accountability and oversight mechanisms. Parliament responded by inserting a requirement for a review into the legislation.

The Commission wholeheartedly endorsed the Review's central conclusion that there should be a single, integrated and comprehensive statute governing the security and intelligence establishment, with a fundamental purpose to protect New Zealand as an open, free and democratic society.

The Commission continued to make a significant impact participating in legal proceedings, appearing as an "intervener" in several major human rights-related legal cases over the past year. In February 2016 the Commission participated in *Spencer v Attorney-General*, a case arising from the long-running "parents as caregivers" litigation commenced by family members of adult disabled children. The High Court subsequently awarded Margaret Spencer more than \$200,000 in damages to compensate her for losses arising from the Ministry of Health's discriminatory practice of refusing to pay family members for providing care to disabled adults. Of particular significance, the Court also accepted the Commission's submission that a training order should be made under the Human Rights Act and directed the Ministry of Health should educate its officers on the importance of the human rights of disabled persons and their caregivers.

In March 2016 the Human Rights Review Tribunal released its decision in the case of *Adoption Action v Attorney General*. The Tribunal issued a declaration of inconsistency holding that a number of provisions of the Adoption Act 1955 were inconsistent with the New Zealand Bill of Rights Act 1990. These included provisions relating to the position of sole male applicants, civil union partners and same sex de-facto couples, consent

of disabled parents and age limits. The Tribunal specifically noted the significant role the Commission, through its counsel, played at the hearing and the invaluable assistance provided.

In addition, the Commission also successfully applied to intervene in a number of cases including proceedings related to the teaching of religious instruction in schools and contract pay rates for midwifery providers.

The Commission continued to influence law, policy and practice through making submissions to relevant agencies and Parliamentary Select Committees highlighting the importance of human rights principles and encouraging human rights compliant actions, with good results.

A successful application was made for funding from the United Nations Office of the High Commissioner for Human Rights to carry out a review of seclusion and restraint practices in detention settings, including youth justice facilities, mental health units and prisons. This important piece of work follows on from an initial HRC overview of *Mental Health in Detention: Duties of the State* which was included in the Optional Protocol to the Convention Against Torture Annual report released in December 2015.

Significant work regarding housing, health and participation issues for vulnerable people impacted by the Canterbury earthquake was undertaken last year. As a continuation of its monitoring of the Canterbury earthquake recovery, the Commission undertook a human rights impact analysis of the residential red zoning process. The resulting report, to be published in October 2016, features a Human Rights Checklist and makes a series of recommendations that will contribute to New Zealand's disaster preparedness work.

The Commission's earthquake recovery policy and advocacy work revealed there were problems with the classification and prioritisation of vulnerable customer claims. The Commission, in discussion with the Insurance Council of New Zealand, and with input from the New Zealand Red Cross and the Canterbury District Health Board, developed a set of draft Vulnerability Guidelines for use by private insurers and brokers.

Indigenous Rights

The Commission has actively developed the framework of indigenous rights outlined in treaty instruments, supporting the United Nations Declaration on the Rights of Indigenous Peoples, UNDRIP.

The Indigenous Rights Commissioner attended and presented the Te Reo Māori language awards, and was involved in hui with the Māori Women's Welfare League, the New Zealand Police, the Te Hika o Pāpāuma group, and the Te Rūnanga o Aotearoa executive and the Office of Treaty Settlements in regard to the Government's Large National Grouping Treaty Settlement policy. In addition, two hui were held with the UNDRIP Independent Monitoring Mechanism governance team chair to maintain alignment and maintain our positive relationship.

The Human Rights Record

The Indigenous Rights Commissioner met with the Mayor of New Plymouth to advise on access to the United Nations remedy mechanisms regarding indigenous representation. Support was also provided by the Race Relations Commissioner, who attended and supported Parihaka, calling on local government to ensure that Iwi had equal representation at local government level.

Working with Te Puni Kōkiri and the Ministry of Justice, the Commission developed a Te mana i Waitangi training and development programme to increase the understanding of the human rights dimensions of the Treaty of Waitangi, which will be delivered to identified state sector agencies in 2016.

Significant progress has been achieved in the reporting and monitoring frameworks New Zealand has adopted to measure progress in human rights. The increasing use of online channels has lifted the Commission's visibility and connection with civil society and key stakeholders. In a bi-annual stakeholder survey conducted in 2015, 87.5 percent of respondents reported interaction with the Human Rights Commission was positive.

All New Zealand's work in human rights is monitored and measured, either domestically through the National Plan of Action, or through international treaties and conventions such as the Universal Periodic Review.

As a member of the United Nations, New Zealand is also a state party to, or has endorsed, a number of international human rights instruments. These require the Commission to continually advance the scope of the rights protected within these covenants and conventions. These instruments also impose obligations on state parties, including regular reporting on implementation.

Work in 2015/16 included:

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

Last year we published the world's first online Human Rights National Plan of Action (NPA), which sets out Government's actions to improve the realisation of human rights. Building on this initiative, this year the Commission and the Ministry of Foreign Affairs and Trade, along with the New Zealand Treasury and the Ministry of Social Development, initiated the first cross-agency effort to discuss the adoption of the Sustainable Development Goals (SDGs). The future development of the NPA is linked to the implementation of the SDGs – we are promoting the need for common indicators to measure and monitor achievement in both the NPA and the SDGs.

The SDG indicators will cover nearly all aspects of human rights, from harmonious relations, discrimination and inequality to gaps in realisation of standards of living to indigenous rights and will measure our effectiveness in providing redress and remedy to human rights breaches. As an example, New Zealand has accepted a SDG target that everyone in New Zealand will be adequately, safely and affordably housed by 2030.

Human Rights Remedy

The Human Rights Commission has functions to facilitate the resolution of disputes involving unlawful discrimination in the most efficient, informal and cost-effective manner possible. An enquiry, complaints and mediation service is provided as a means of remedy for people whose human rights have been breached.

In 2015/16 the Enquiries and Complaints team managed 1274 complaints of unlawful discrimination and successfully resolved or assisted in resolving 84 percent of these complaints. More than 3754 other human rights complaints and enquiries were received last year through the Commission's Infoline service.

The Commission considered 538 assignments during 2015/16 as a result of its responsive triage process, which is designed to accommodate all workflow outside of the Commission's business plan.

As a leading instrument of Human Rights remedy, the Enquiries and Complaints service has also contributed to the development of mediation services for National Human Rights Institutions overseas.

Business Performance

The Commission undertook a number of performance improvement projects in the 2015/16 year.

The Commission introduced improved performance management and project reporting programmes and started work on the implementation of an Electronic Document and Records Management System (EDRMS) to improve management of information. The EDRMS will be implemented in 2016/17.

Throughout the 2015/16 year a move to co-location and shared facility arrangements occurred for the Wellington and Christchurch offices with

planning in place to relocate the Auckland office early in 2016/17. The Auckland move has been driven by the landlord's development plans. The Auckland and Wellington offices have co-location arrangements with The Energy Efficiency Conservation Authority (EECA) and in Christchurch the Commission has co-located in the Central Integrated Government Agency (CIGA) building, led by Statistics NZ.

As a measure of staff satisfaction and productivity, the Commission undertakes a staff engagement survey every 18 months. Results for 2015/16 show a response rate of 91 percent, with employee engagement at 71 percent – a 9 percentage point improvement from the previous survey period.

The Human Rights Amendment Act and Commissioner changes

The Human Rights Amendment Act passed on 14 June 2016. The Act provides for the establishment of a Disability Rights Commissioner and makes changes to the functions of the Commission regarding domestic and international reporting. As a result of the passage of the Act, two Commissioner vacancies have been advertised, but no appointments made yet. The composition of Commissioners remains at three full-time Commissioners and three part-time Commissioners.

Our sincere thanks to everyone in the organisation for their continued commitment.

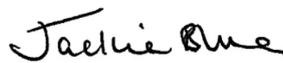
Na mātou noa, nā



David Rutherford
Chief Commissioner
Te Amokapua



Dame Susan Devoy
Race Relations Commissioner
Kaihautū Whakawhanaunga a Iwi



Dr Jackie Blue
Equal Employment Opportunities Commissioner
Kaihautū Ōritenga Mahi



Paul Gibson
Disability Rights Commissioner
Kaihautū Tika Hauātanga



Karen Johansen
Commissioner
Kaihautū



Richard Tankersley
Commissioner
Kaihautū

What the Commission is and what it does

Ko wai mātou, ā, he aha tā mātou mahi?

The Human Rights Commission (the Commission) is an independent Crown entity. The Board of the Commission determines the strategic direction and general activities of the Commission consistent with the Human Rights Act 1993 and Crown Entities Act 2004.

The Commission has an “A” status accreditation as a National Human Rights Institution with the Global Alliance of National Human Rights Institutions (GANHRI). 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 required for NHRIs to be considered credible and to operate independently.

The Office of Human Rights Proceedings (OHRP) is part of the Commission and the Director independently makes decisions to provide legal representation under the Human Rights Act 1993 and to bring 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
- b encourage the maintenance and development of harmonious relations between individuals and among the diverse groups in New Zealand society
- c promote racial equality and cultural diversity
- d promote equal employment opportunities (including pay equity)
- 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 Human Rights Act 1993, important human rights principles are enshrined in New Zealand’s constitutional arrangements or legislation, including the:

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

Moreover, as a member of the United Nations, New Zealand supports the human rights provisions of the United Nations Charter and the Universal Declaration of Human Rights 1948.

New Zealand is also a party to or supports a number of international human rights instruments, including the:

- 1 International Covenant on Civil and Political Rights (ICCPR)
- 2 International Covenant on Economic, Social and Cultural Rights (ICESCR)
- 3 International Convention on the Elimination of All Forms of Racial Discrimination (CERD)
- 4 Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- 5 Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT)
- 6 Convention on the Rights of the Child (CRC)
- 7 Convention on the Rights of Persons with Disabilities (CRPD)
- 8 United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

New Zealand's core international human rights law obligations are set out in these instruments and obligations. They require that the State respect, protect and fulfil the human rights of individuals within New Zealand. This includes the duty to protect against human rights abuse by third parties, including business enterprises. A number of these instruments also impose obligations on New Zealand to regularly report on their implementation.

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 Tribunal and the courts.

Governance, Strategic Leadership and Management

The Commission is governed by a Board made up 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 strategic leaders in areas designated by the Human Rights Act 1993 or by allocation of spheres of responsibility by the Chief Commissioner. Commissioners engage in the general activities of the Commission (excepting those set out in section 76 of the Human Rights Act 1993) as determined by the Chief Commissioner. The roles of Race Relations Commissioner, Equal Employment Opportunities Commissioner and Disability Rights Commissioner (effective June 2016) are designated under the Human Rights Act 1993.

The following are the statutory designations (denoted by an *) and spheres of responsibility for Commissioners allocated by the Chief Commissioner for 2015-16. The Chief Commissioner also designates which general activities of the Commission the Commissioners will work on.

Commissioners	Spheres of responsibility 2015–16
David Rutherford (Full-time)	Chief Commissioner* Thematic human rights areas: 1 Canterbury Earthquake Recovery 2 Civil and Political Rights 3 Children’s Human Rights
Dame Susan Devoy (Full-time)	Race relations*; Human Rights of non-Māori ethnic or religious minorities Thematic human rights areas: 1 Tackling Casual Racism 2 Implications of discrimination and embracing diversity
Dr Jackie Blue (Full-time)	Equal employment opportunities*; Women’s Human Rights Thematic human rights areas: 1 Violence and Abuse (apart from Children) 2 Women and Equal Opportunity in Employment 3 Workplace Harassment 4 Business and Human Rights in Workplaces
Paul Gibson (0.8 full-time equivalent)	Disability rights Thematic human rights areas: 1 Education and Access for the Disabled 2 Disabled people in detention
Karen Johansen (0.3 full-time equivalent)	Māori human rights / Human Rights Dimension of Treaty of Waitangi Thematic human rights areas: 1 UNDRIP Implementation 2 Te Mana i Waitangi
Richard Tankersley (0.3 full-time equivalent)	Human Rights of GLBTI people/Canterbury Thematic human rights areas: 1 Transgender; Gender re-assignment issues 2 Canterbury EQ Recovery

* Statutory designations

The Chief Executive of the Commission manages all staff of the Commission except the staff of the Office of Human Rights Proceedings.

The Director of Human Rights Proceedings decides whether to provide 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 Office of Human Rights Proceedings.

Goals and Strategic Impacts 2015/16

The Commission's vision is that 'People in New Zealand live together harmoniously, sharing a common respect for each other's inherent dignity and human rights'.

Our Statement of Intent (SOI) 2014/15 – 2017/18 outlines the outcomes and the strategic impacts that we intend to have to achieve this vision. Our outcomes are:

- An inclusive society where people actively participate in decisions which affect them and feel that they belong
- Equality of opportunity and non-discrimination
- Fair, transparent and accountable decision-making

Our strategic impacts are:

- More people in New Zealand know and practise 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 affecting them and in the design of their communities
- Development of a culture where violence and abuse is not tolerated or unreported
- Increased adoption of effective policies and practices that provide for equality of opportunity and non-discrimination.

For the 2016/17 – 2019/20 SOI and SPE the Commission updated its Strategic Framework to better link the Commission's overarching vision, through the outcomes and impacts sought, with the outputs that are being funded. This new structure provides a clear reportable framework that forms the basis for the Commission's ongoing work programme in both the short- and long-term.

In addition to the impacts outlined in the foreword, the following section provides a summary of some of the impacts and contributions made by the Commission in 2015/16. The progress made against the identified standards and performance measures under each of the Commission's four output areas as outlined in the Statement of Performance Expectations (SPE) 2015/16 – 2018/1, are described in detail in the Statement of Performance section of this report.

Impacts

More people in New Zealand know and practise their rights and fulfil their responsibility to respect the human dignity and rights of others.

People and organisations that have legal obligations to respect and protect human dignity and rights do so

Better remedies for breaches of human dignity and rights

The Commission received 5336 enquiries and complaints about human rights matters in 2015/16 (5236 in 2014/15). Of these, 1274 were complaints of alleged unlawful discrimination under the Human Rights Act.

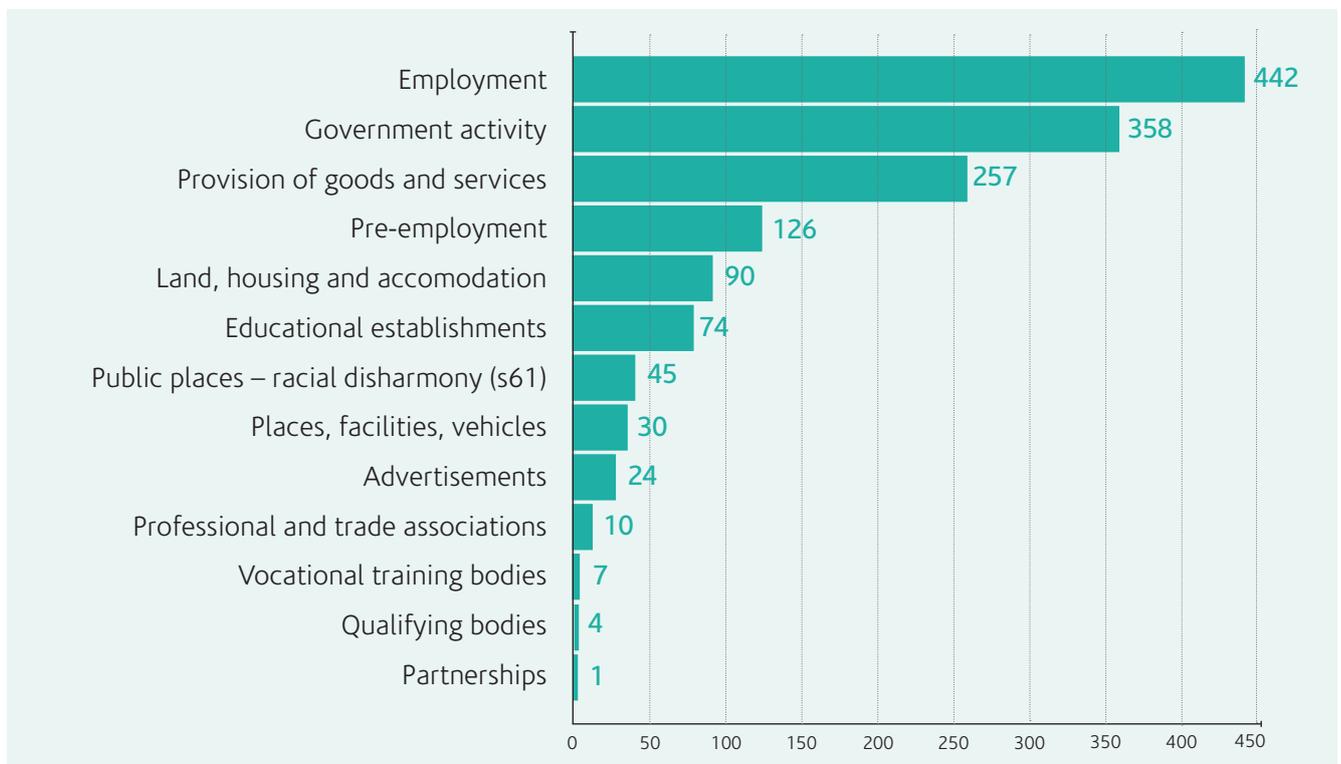
A total of 68 percent of all enquiries and complaints (3618 compared to 3341 last year) requested the Commission's help in resolving their complaint or dispute. In addition, 23 percent (1220 compared to 1442 last year) sought the Commission's advice about human rights obligations, data for research, legal advice and assistance with human rights training. Six percent (302) registered concern about a current human rights issue and there were 196 enquiries about the Commission's publications. Most of the enquiries and complaints related to employment and Government activity, with disability the most frequent reason for contacting the Commission.

Enquiries and complaints of unlawful discrimination

There were 1392 enquiries and complaints alleging unlawful discrimination over the year, 1274 of which were classified as unlawful discrimination complaints – a 14 percent increase on the 1122 complaints received last year.

Across the public and private sectors, unlawful discrimination enquiries and complaints in the area of employment accounted for 32 percent of approaches to the Commission. When combined with complaints about pre-employment, these two areas accounted for 41 percent of all enquiries and complaints. Complaints that Government policy, or the actions, decisions or practice of a Government department or agency delivering Government policy, had breached anti-discrimination provisions accounted for 26 percent of all approaches to the Commission. The third highest area of enquiry and complaint was in the provision of goods and services, accounting for 18 percent of all enquiries and complaints. This spread of complaints has been consistent for a number of years.

Unlawful Discrimination Enquiries and Complaints in the public and private sector (grouped by area)

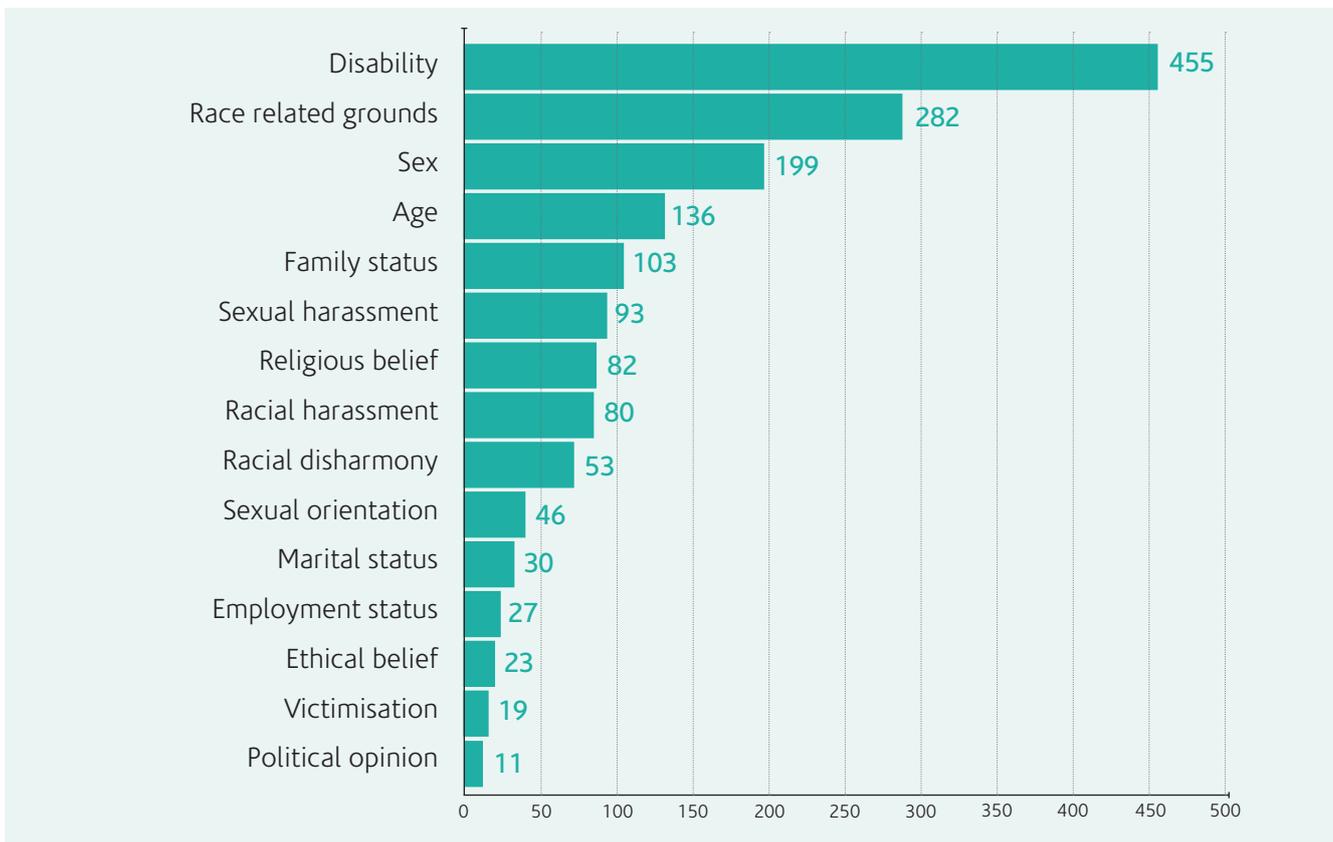


Enquiries and complaints about disability discrimination made up the largest proportion of unlawful grounds this year – 455 complaints compared to 354 the previous year. In 2015/16 there was a noticeable drop in the number of race-related enquiries and complaints – 282 discrimination complaints on the grounds of race, colour or ethnic or national origin, compared with 338 in 2014/15.

There were the same number of complaints of racial harassment as in 2014/15. There were 53 complaints of inciting racial disharmony compared to 35 in 2014/15. Racial disharmony complaints relate to racial comment that is written, broadcast or digitally conveyed. They tend to reflect issues that have made media waves through the year.

This year, racial disharmony enquiries and complaints concerned comments made about Irish builders in Christchurch, overseas property buyers and a cartoon about moko. While comments were frequently racially offensive, they were not considered to be unlawful, given the high threshold necessary for unlawfulness, balanced against creation of hostility and the right to freedom of expression. Where appropriate, the Race Relations Commissioner made public statements on the inappropriate nature of some comments.

Unlawful Discrimination Enquiries and Complaints public and private sector (grouped by ground)



The Human Rights Act distinguishes between unlawful discrimination in the public sector, Part 1A of the Human Rights Act, and the private sector, Part 2. There are slight differences in the nature of complaints between the two sectors. Disability is the most prevalent ground of complaint in the public sector, while in the private sector, it is race-related complaints.

Complaints against Government

There were 416 enquiries and complaints about unlawful discrimination in the public sector (30 percent of all enquiries and complaints). The majority, 185, were about disability, including complaints made about the accommodation of disability in educational establishments. Race, colour and ethnic-origin related enquiries and complaints accounted for 86. Family status (45) religious belief (38) age (40) and sex (34) made up the next significant tranche of enquiries and complaints.

Private sector complaints

The Commission received private sector enquiries and complaints about unlawful discrimination on the ground of disability (274) and on the grounds of the colour, race, national or ethnic origin (209). The other unlawful discrimination complaints were on the grounds of sex (166), age (96), family status (60), religious belief (47) and sexual orientation (42). We had 22 complaints on the grounds of employment status. Ethical belief and victimisation were cited in fewer than 22 matters.

We received private sector complaints about sexual harassment (89), racial harassment (77) and racial disharmony (49).

Complaints progressed through the dispute resolution service

The dispute resolution process raises awareness of rights and responsibilities under the Human Rights Act, encourages discussion on the impact of unlawful discrimination and offers education to participants. The process enjoys a high resolution rate, closing 1309 unlawful discrimination complaints during 2015/16. A total of 84 percent of enquiries and complaints dealt with by the disputes resolution team were resolved, partly resolved or assistance provided that enabled the complainant to progress the matter. Ten percent were not resolved and were referred to the Human Rights Review Tribunal.

Closure or resolution of a complaint might include such things as a personal and written apology, an acknowledgement of the reality of the complainant's situation, a fair work reference and payment for humiliation and damages, or reimbursement of lost wages. In a significant number of cases, there is agreement to change in processes which affect a large number of people or future processes, i.e. real and systemic change.

This year there were 69 outcomes involving systemic change, ranging from anti-discrimination training for staff to an organisation accommodating a request to have a room available for prayers. Significant systemic changes agreed through mediation included a school adopting an inclusive practice

tool from the NZ Council for Educational Research to better accommodate students with a disability, a recruitment firm agreeing to no longer advertise with 'English as a first language' as a requirement, a retail outlet changing procedures to recognise transgender customers, an employer developing a performance management system to ensure fairness where there is a disability, and a booking agency removing the premium it charged for people in a wheelchair.

Section 5 Enquiries and Complaints other than unlawful discrimination – broader human rights enquiries and complaints

Section 5 of the Human Rights Act gives the Commission broad powers to advocate for and promote human rights and the discretion to assist with issues and complaints outside the scope of the unlawful discrimination (Part 1A and Part 2) provisions of the Act. Of the 5140 enquiries and complaints received this year (excluding queries about publications), 3754 or 73 percent were related to human rights other than unlawful discrimination. The majority of these matters (75 percent, 2820) were responded to quickly by Infoline (providing information, discussing options for self-help, referral to another agency or service provider) while the remainder required legal advice, a specialist human rights policy response or assistance with advocacy or communications. Ninety-four percent of all enquiries and complaints were acknowledged or closed within three days of being received.

The broader human rights issues prominent over the year were the debate on euthanasia, the human rights dimensions of the Trans Pacific Partnership, the Government health strategy and the housing crisis. There was also significant interest in transgender issues over the last few months of the year. The Commission considered enquiries and complaints from service providers, employers and people transitioning from one gender status to another in the context of school, work, gyms, employment in private houses, insurance policies and sports competitions.

The effect of the Canterbury earthquakes, in particular on mental health, continued to be felt through requests for help with insurance claims, health advocacy and city planning. There was interest in men's rights, netsafe and internet concerns, school bullying and violence, work conditions for migrant workers and public concern about visas being declined for people with disabilities.

The Commission responded to the wide variety of enquiries and complaints outside of the discrimination provisions by providing suggestions for action, making submissions, direct assistance, advocacy, media releases, low level dispute resolution, legal advice and provision of information through the website or Commission publications. The Commission continues to actively expand its social media reach and engagement, and statistics indicate we reached more than 5.5 million people during 2015/16; engaging with more than 286,000 people in the process.

Effective engagement of specific groups in decision-making affecting them and in the design of their communities

During 2015/16 the Commission launched and implemented New Zealand's National Plan of Action (NPA) online tool. Ongoing development and enhancement resulted in an updated tool with additional functions (including enabling users to create their own customised reports from the commission's data) being launched in early March 2016. The NPA has been acknowledged internationally by an expert panelist on the Human Rights Committee, as part of its consideration of the sixth periodic report on New Zealand's implementation of the provisions of the International Covenant on Civil and Political Rights (ICCPR).

The Commission attended New Zealand's sixth periodic examination under the ICCPR by the United Nations Human Rights Committee in March 2016. An update to civil society, MPs and Government on the concluding observations of the ICCPR review was communicated to relevant stakeholders to address. Eleven direct recommendations made by the Commission have been adopted into the ICCPR concluding observations. The Commission intends to include the Government's response to concluding observations from the various United Nations Treaty Bodies on the NPA online tool to monitor progress.

The Commission also finalised the submission on the ICCPR. The United Nations Human Rights Committee has commended the Commission's approach to review and work on security and intelligence issues as identified in the ICCPR concluding observations. The Committee accepted more than 60 percent of the Commission's recommendations, including that the Government reports on its intention to meet the sustainable development goal on gender equality.

During 2015/16 the Commission engaged with key stakeholders to progress the Government's commitment to progress issues relating to sexual orientation, gender identity and intersex people. The Commission also contributed to a world-first publication, *Promotion and Protecting Human Rights in relation to Sexual Orientation, Gender Identity and Sex Characteristics: A Manual for National Human Rights Institutions (NHRIs)* released by the Asia Pacific Forum of NHRIs.

The culmination of meetings with the Department of the Prime Minister and Cabinet and the Christchurch Mayor has resulted in a shared understanding on how future recovery matters should be communicated. The Commission has also received advice that the approach to the red zone it has advocated for more than three years is now likely be implemented.

A key achievement in 2015/16 was the Commission's presentation on NHRIs remedying business and human rights disputes at the OECD Forum on Responsible Business Conduct. The Commission was the first NHRI to be asked to speak at this forum.

The Commission accepted an invitation to join the Steering Group of an initiative related to the creation of a Mega-Sporting Events and Human Rights Centre. Mrs Mary Robinson, former President of Ireland and former UN High Commissioner for Human Rights, is Chair of the Steering Committee, and the Institute for Business and Human Rights serves as the secretariat. Governments, intergovernmental organisations and major international NGO organisations are involved in the Steering Group that is actively engaged in exploring the potential for an independent centre.

The Commission supported the Declaration on the Rights of Indigenous Peoples (UNDRIP) independent monitoring mechanism to produce their second monitoring report to the Expert Mechanism on the Rights of Indigenous Peoples (EMRIP). The objective of the monitoring mechanism is to promote and monitor the implementation of the UN Declaration on the Rights of Indigenous Peoples in Aotearoa New Zealand. The report reviews progress in the Declaration's implementation, with a focus on the right of Māori to participate in decision-making.

The Commission undertook a human rights impact analysis of the residential red zoning process as a continuation of its monitoring of the Canterbury earthquake recovery. In conjunction with the New Zealand Red Cross, the Commission surveyed every remaining occupied home in residential red zone areas. This research examined the situation of people who did not accept the Government's offer to purchase their properties and who either continued to live, or who owned vacant land, in the red zone in 2015. The resulting report, to be published in late 2016, focuses on issues relating to participation in decision making, access to information and communication. The report features a Human Rights Checklist and makes a series of recommendations that will contribute to New Zealand's disaster preparedness work.

Working with Auckland Disability Law, the Office for Disability Issues and related partners, the Commission is progressing the development of resources in the Supported Decision Making area, as well as progressing representation in the CRPD monitoring process for people with neuro-disability. Joint interest meetings are being held with Ministry of Health officials to discuss issues related to their CRPD compliance.

The Implementation Report on Inclusive Education has been completed after a period of consultation with key stakeholders, including the independent monitoring mechanism, civil society and Government. Work is ongoing with the Ministry of Education around Inclusive Education and the establishment of a multisector group to progress inclusive education matters.

Sexual Orientation, Gender Identity & Intersex: The Commission engaged with key stakeholders, including the Intersex Trust New Zealand, SOGII UPR Coalition and Pride NZ (Inc.) to progress the Government's commitment to issues relating to sexual orientation, gender identity and intersex people. The Commission also contributed to a world-first

publication, *Promotion and Protecting Human Rights in relation to Sexual Orientation, Gender Identity and Sex Characteristics: A Manual for National Human Rights Institutions*, released by the Asia Pacific Forum of National Human Rights Institutions.

Development of a culture where violence and abuse is not tolerated or unreported

The Commission is a member of the inter-agency collective impact Bullying Prevention Advisory Group (BPAG) which is focused on reducing bullying in NZ schools. It is chaired by the Secretary for Education and involves teacher unions and principals' associations, education sector organisations, Government agencies, online safety organisations, the Children's Commissioner and the Commission.

A strategic plan sets out priority areas that will contribute towards BPAG's vision for reducing bullying in NZ schools. The plan draws from evidence and research for a basis against which to measure success. In 2015/16 there was a focus on gathering bullying data across all schools in NZ to ensure consistent data collection about the nature and extent of bullying. The group undertook a number of presentations to schools and the wider education sector. The first Bullying Free NZ Week was held 16-20 May 2016.

Increased adoption of effective policies and practices that provide for equality of opportunity and non-discrimination

The Commission annually reviews and analyses the reporting of good employer obligations by Crown entities in their annual reports. It also monitors their progress towards Equal Employment Opportunities (EEO) and provides good employer guidance. The Commission's annual good employer review gives Crown entities an indicator report showing their reporting progress. The Commission's 'Crown Entities and the Good Employer' web tool allows Crown entities to track their progress across years and compare themselves to others of the same size, type and the sector as a whole.

The Commission hosted a side-session at the Conference of States Parties at the United Nations in New York to promote the rights of persons with mental and intellectual disabilities. This drew together a coalition of disability interests who submitted a joint submission on the NZ Disability Strategy. The Commission will continue to contribute to the development of a new NZ Disability Strategy to ensure a human rights framework is included.

The Tackling Casual Racism Campaign begun in 2015/16 is gaining significant traction with the development of the final strategic plan and campaign around this work. With the contribution of funding from MBIE,

this is one the Commission's biggest initiatives to date, which aims to reduce the number of recent migrants who experience discrimination. The initiative will also develop and distribute resources to inform and assist employer attitudes towards diversity to enable migrants to have better employment opportunities.

The Commission made a submission to the Expert Mechanism on the Rights of Indigenous Peoples study on the right to health for indigenous peoples. This study aims to highlight the issues around health inequalities for Māori. It makes recommendations on how the right to health is delivered, when considered in relation to the availability, accessibility, acceptability and quality of health services.

The Commission successfully completed the third update of the Tracking Equality at Work tool which went "live" on 30 June 2016, with data from the 2015 year. The data showed similar trends to previous years, with the indicators around unemployment for young Māori and Pacific women being particularly high. Two new indicators were added this year, "Median Hourly Wage by Educational Qualification" and "Global Women in Senior Management". Both indicators provided interesting new information about inequality at work. For example, the Median Hourly Wage indicator shows a Pacific Woman with a post-graduate qualification will earn \$30.81 per hour, while a European man with a post-graduate qualification will earn \$41.30 per hour. The Global Women in Senior Management indicator shows New Zealand is in the bottom 10 of the 26 countries surveyed, with 19 percent of senior managers being women.

The Commission's earthquake recovery policy and advocacy work revealed there were problems with the classification and prioritisation of vulnerable customer claims. Specifically, there was variation across state and private insurers in terms of how vulnerable customers were defined and prioritised, which resulted in vulnerable claims often progressing at the same rate, or more slowly, than non-vulnerable customer claims. In 2015, the Commission surveyed private and state insurers to better understand the claims context. The purpose of this work was to ensure vulnerable claimants were not discriminated against in the claims resolution process.

As a result of the survey findings, the Commission, in discussion with the Insurance Council of New Zealand and with input from the New Zealand Red Cross and the Canterbury District Health Board, developed a set of Vulnerability Guidelines for use by private insurers and brokers. The Guidelines have the potential to improve outcomes for vulnerable customers across all claims contexts and in the broader social services sector.

The Commission released its Women Empowerment Principles (WEPs) gender equality strategy tool in June. This tool, funded by the Commission, provides simple strategies for businesses to implement to allow for gender equality to take place.

Increased observance of procedural safeguards by decision makers when exercising their legislative, oversight and public sector management responsibilities

Children's Action Plan: The Commission has made recommendations to the Information Sharing Agreement for Improving Public Services for Vulnerable Children (AISA) which provides clarity and certainty about what information about vulnerable children and their families Government agencies can share, for what reasons and with whom. The Vulnerable Children's AISA has now passed into law, with a number of recommendations from the Commission reflected in the final order.

The Commission facilitated several high-level meetings on protection for human trafficking victims with senior representatives from Ministry of Justice, MBIE, the Police, Help Auckland, Human Rights Foundation and the Pohutukawa Clinic. Action points included working with the inter-agency group on human trafficking and exploring the opportunity for education and awareness of trafficking in the provider sector. It also included ACC adapting its model of care for victims of sexual violence to cover human trafficking victims.

The Commission continued to have significant impact when participating in legal proceedings, appearing as an "intervener" in several major human rights-related legal cases over the past year. In February 2016 the Commission participated in *Spencer v Attorney-General*, a case arising from the long-running "parents as caregivers" litigation begun by family members of adult disabled children. The High Court subsequently awarded Margaret Spencer more than \$200,000 in damages to compensate her for losses arising from the Ministry of Health's discriminatory practice of refusing to pay family members for providing care to disabled adults. Of particular significance, the Court also accepted the Commission's submission that a training order should be made under the Human Rights Act and directed that the Ministry of Health should educate its officers on the importance of the human rights of disabled persons and their caregivers.

In March 2016 the Human Rights Review Tribunal released its decision in the case of *Adoption Action v Attorney General*. The Tribunal issued a declaration of inconsistency holding that a number of provisions of the Adoption Act 1955 were inconsistent with the New Zealand Bill of Rights Act 1990. These included provisions relating to the position of sole male applicants, civil union partners and same sex de-facto couples, consent of disabled parents and age limits. The Tribunal specifically noted the significant role the Commission, through its counsel, played at the hearing and the invaluable assistance provided.

In addition, the Commission also successfully applied to intervene in a number of cases including proceedings related to the teaching of religious instruction in schools and contract pay rates for midwifery providers.

The Commission continued to influence law, policy and practice through making submissions to relevant agencies and Parliamentary Select Committees highlighting the importance of human rights principles and encouraging human rights compliant actions, with good results.

A successful application was made for funding from the United Nations Office of the High Commissioner for Human Rights in order to carry out a review of seclusion and restraint practices in detention settings, including youth justice facilities, mental health units and prisons. This important piece of work follows on from an initial HRC overview of Mental Health in Detention: Duties of the State which was included in the Optional Protocol to the Convention Against Torture Annual report released in December 2015.

Organisational health and capability

Te kaha ora o te Kāhui Tika Tangata

Good employer responsibility

The Commission is committed to being a good employer and has an EEO programme that incorporates policies and practices to promote equity, fairness and the seven 'good employer' elements. These are regularly reviewed and refreshed.

Leadership, accountability and culture

Leadership and accountability has been strengthened through the ongoing development of an organisation-wide performance framework that aligns all roles (including the Commissioners) to a common purpose. All managers have specific performance standards relating to EEO and diversity. Senior leaders organise monthly forums to enable all staff to better understand and contribute to the Commission's activities. The Commission continues to support Uepū Māori, a group open to all Māori staff to enable them to live and work as Māori. The Commission works in partnership with the recognised union to develop policy and good employer practices.

Recruitment, selection and induction

The Commission has impartial and transparent employment processes, which includes selection and interviewing by panels comprised of a diverse group of members to provide balanced views. The Commission values a diverse workforce and actively recruits to reflect the population groups that it serves. The Commission has also implemented a detailed induction programme, which includes ongoing monitoring and review.

Employee development, promotion and exit

The Commission actively seeks to ensure fair representation of all groups, including equal access to employment, professional development and opportunities to progress. A range of opportunities for development were undertaken during 2015/16, including leadership coaching, specialist and professional training and practise supervision. Exits and retirements have been supported by the Commission's policies and processes to ensure good practice.

Flexibility and work design

A comprehensive flexible working policy is in place, together with IT facilities, to enable staff to work off-site and in flexible ways. Reasonable accommodation is made for employees with disabilities. Flexibility has also been achieved for staff requesting additional support in terms of work-life balance.

Remuneration, recognition and conditions

The Commission has a transparent remuneration system, agreed with the recognised trade union within its Collective Employment Agreement. Other provisions include top-ups to Government paid parental leave, sick leave for individuals and to care for dependents, cultural and religious leave and disaster leave.

Harassment and bullying prevention

The Commission promotes a zero-tolerance approach to bullying and harassment and has a Dignity at Work policy to respond to and resolve any concerns relating to behaviour in the workplace.

Safe and healthy environment

The Commission revised its Health and Safety policy in line with the new Health and Safety at Work Act 2015 to meet heightened legislative requirements. A refreshed education programme is underway to enhance manager and staff understanding of their responsibilities. The Health and Safety Committee has representation from the Chief Executive, managers and staff representatives to participate in the creation and implementation of health and safety measures and have access to reported information.

Safety-related accessibility training and practices ensure staff with disabilities are fully supported. Measures to enhance staff wellbeing include an Employee Assistance Programme, visual care provisions, free flu vaccinations and workstation ergonomic assessments.

Human Rights Commission workforce profile 2015/16

Staff numbers		Age profile (of those reported)		Ethnicity (of those reported)**	
Staff					
People	50	Under 30 years	8.51 percent	NZ European	64.44 percent
FTE	46.233*	30–39 years	23.40 percent	Māori	31.11 percent
		40–49 years	21.28 percent	Pacific	8.88 percent
		50–59 years	31.91 percent	Asian	6.66 percent
		60 and over years	14.89 percent	Other	15.56 percent
Commissioners					
People	6	Under 30 years	0 percent	NZ European	75 percent
FTE	4.4	30–39 years	0 percent	Māori	25 percent
		40–49 years	0 percent	Pacific	0 percent
		50–59 years	83.33 percent	Asian	0 percent
		60 and over years	16.66 percent	Other	0 percent

Length of service		Gender		Disability (of those reported)	
Staff					
Under 3 years	25	Female	68 percent	Yes	14.89 percent
3–10 years	13	Male	32 percent	No	85.11 percent
Over 10 years	12	Other	0 percent		
Commissioners					
Under 3 years	0	Female	50 percent	Yes	16.66 percent
3–10 years	6	Male	50 percent	No	83.33 percent

* 10 are part-time employees

** People were able to identify with more than one ethnic group and therefore percentages do not add up to 100

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

This report is made by the Director of Human Rights Proceedings pursuant to section 92A(4) of the Human Rights Act 1993.

Overview

Human Rights Act matters

A total of 99 decisions were made by the Director this year on matters concerning the Human Rights Act 1993 and Privacy Act 1993.

The Director is currently providing representation to 24 clients. Eighteen of these have active proceedings before the Human Rights Review Tribunal. The Director made 62 decisions in respect to applications for representation under the Human Rights Act. Of these, 17 decisions were made to provide representation: 13 for representation in the Human Rights Review Tribunal, three for settlement purposes and one for mediation. Two matters were referred back to the Human Rights Commission for mediation (as mentioned, the Director provided representation in one of these). Decisions to take no further action were made in 11 cases. Thirty-three decisions were made not to provide representation.

Privacy Act matters

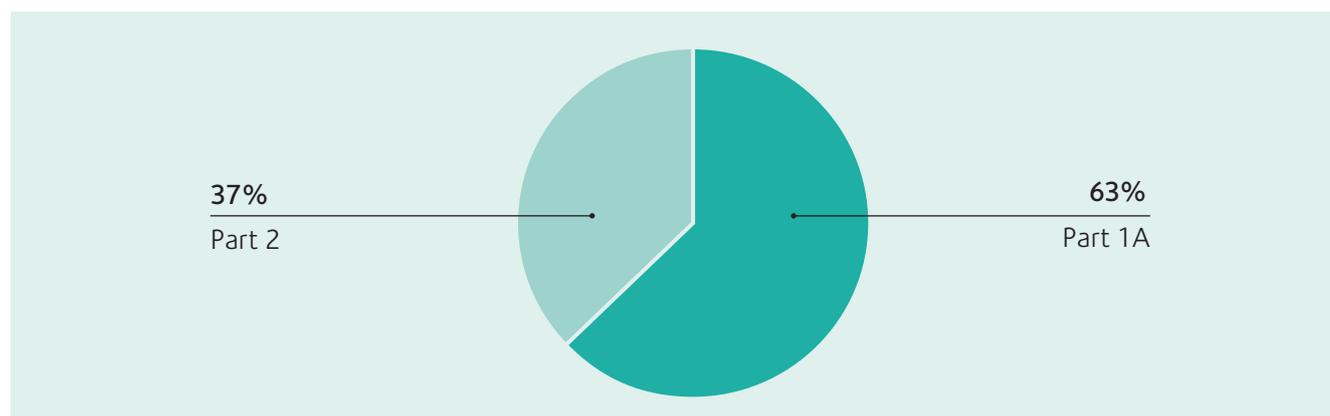
The Director currently has two active Privacy Act proceedings before the Tribunal. Proceedings are imminent in another matter and consideration as to whether to bring proceedings is ongoing in a further matter.

The Director made 37 decisions in respect to Privacy Act matters. Two decisions followed referrals from the Privacy Commissioner under section 77 of the Privacy Act. The Director decided not to bring proceedings in both these matters. In one of these, the issue at stake had been determined in the negative in another case in the Tribunal. In the other, the aggrieved individual elected to instruct private counsel who was already acting for approximately 75 litigants in the same matter.

The Director made 35 decisions in respect to invitations to intervene in proceedings before the Human Rights Review Tribunal. He decided to intervene in one of these.

This graph shows the proportion of applications for representation in respect to Part 1A of the Human Rights Act (which deals with discrimination by Government and bodies acting with legal authority), and Part 2 of the Human Rights Act (which largely deals with discrimination in the private sector).

Decisions made under Part 1A and Part 2 of the Human Rights Act 1993



Decisions in respect to complaints of unlawful discrimination by Government agencies under Part 1A of the Human Right Act 1993

Public Sector Entity	Ground ¹	Decision
Ministry of Health (10)	Family status (7) Disability (1) Ethnic or national origins (1) Sex (1)	Yes (7) No (1) No (1) NFA ² (1)
Ministry of Social Development (7)	Marital status (5) Ethnic or national origins (2)	Yes (4), No (1) No (2)
New Zealand Police (3)	Disability (1) Victimisation (1) No prohibited ground/no jurisdiction (1)	No (1) NFA (1) No (1)
ACC (3)	Disability (2) Age (1)	No (1), NFA (1) No (1)
Department of Inland Revenue (1)	Disability (1)	NFA (1)
Education Council (1)	Ethnic or national origins (1)	No (1)
New Zealand Transport Agency (1)	Disability (1)	NFA (1)
Ministry for Primary Industries (1)	Ethnic or national origins (1)	No (1)
Statistics New Zealand (1)	Sex (1)	NFA (1)
Department of Corrections (1)	Sex (1)	No (1)
Ministry of Education (3)	Age (1) Religious belief (1) Disability (1)	No (1) No (1) No (1)
Educational Institute (4)	Disability (3) Victimisation (1)	No (3) NFA (1)
Housing New Zealand (2)	Disability (1) Family status (1)	No (1) No (1)
Public Trust (1)	No prohibited ground/ no jurisdiction (1)	No (1)

1 Where several grounds were relied upon by the applicant, the primary ground has been isolated.

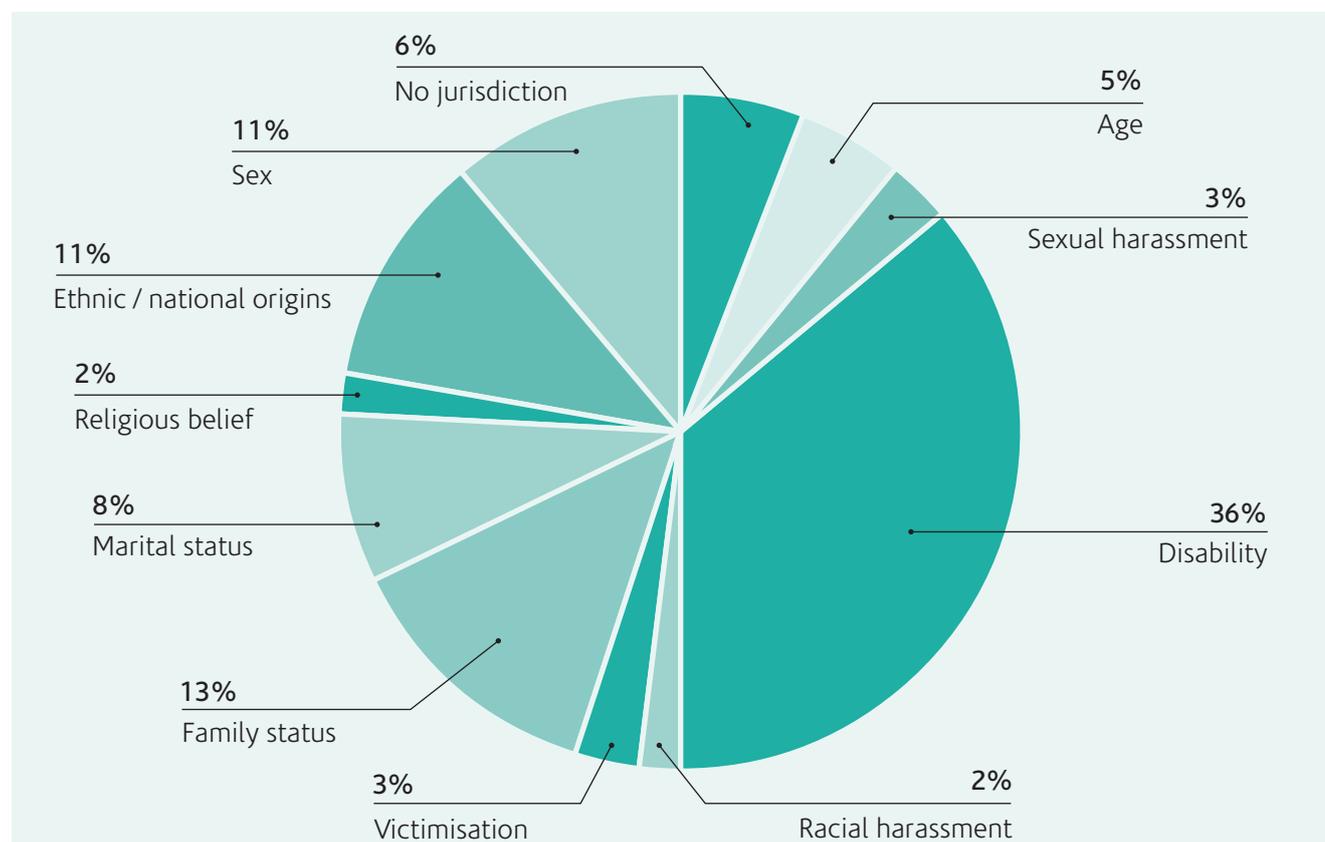
2 No further action.

Decisions in respect to complaints of unlawful discrimination under Part 2 of the Human Rights Act 1993 by area and ground

Area	Ground/other ³	Decision
Employment (13)	Ethnic/national origins (2)	No (2)
	Age (1)	No (1)
	Sex (2)	No (2)
	Disability (6)	NFA (1), No (3), Yes (2)
	Racial harassment (2)	RB (1), No (1)
Provision of goods and services (6)	Disability (5)	RB (1), Yes (2), No (2)
	Sexual harassment (1)	No (1)
Land, housing and accommodation (2)	Sex (1)	No (1)
	Disability (1)	Yes (1)
Access to education (2)	Sex (1)	No (1)
	Sexual Harassment (1)	NFA (1)

This graph shows the grounds considered in applications for representation as a percentage. Where the applicant relied on several grounds, the primary ground has been isolated.

Decisions made under the Human Rights Act 1993 by ground



³ Where several grounds were relied upon by the applicant, the primary ground has been isolated.

Human Rights Commission Statement of Responsibility

for the year ended 30 June 2016

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 judgements in them.
- 2 We have also 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 2016 and the operating results and cash flows of the Commission for the year ended 30 June 2016.

Approved on behalf of the Board of the Commission



David Rutherford
Chief Commissioner



Dame Susan Devoy
Race Relations Commissioner

20 October 2016

Statement of Performance

1 July 2015 to 30 June 2016

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 2015/16 to 2018/19 and in the appropriation Justice Advocacy, Advice and Promotion.

Reporting results

The following sections of the *Statement of Performance* describe the 2015/2016 performance results assessed against the appropriation – Justice Advocacy, Advice and Promotion Services. The progress made towards achieving the identified standards and performance measures are reported under the Commission's five outputs areas as outlined in the Statement of Performance Expectations.

The Statement of Performance Expectations contains a number of performance standards and measures over and above those in the appropriation. These have been marked with an asterisk in this report.

What is intended to be achieved with this appropriation

This appropriation is intended to achieve the provision of justice advocacy, advice and promotion services through funding work performed by the Law Commission, the Human Rights Commission, the Independent Police Conduct Authority, the Privacy Commissioner and the Inspector-General of Intelligence and Security.

Appropriation Revenue Expenditure

Justice Advocacy, Advice and Promotion Services Human Rights Commission	Actual 2015/16 \$000	Budget *2015/16 \$000	Actual 2014/2015 \$000
Revenue from the Crown	9496	9496	9396
**Expenditure	9496	9496	9807
Surplus/ (Deficit)	0	0	(411)

* The budget figures in the appropriation table include updates made in the Supplementary estimates and by way of section 26A transfers

** The appropriation revenue received by the Human Rights Commission equals the Government's actual expenses incurred in relation to the appropriation, which is a required disclosure from the Public Finance Act

Output class statement – Justice Advocacy, Advice and Promotion Services

	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Revenue			
Crown	9,496	9,396	9,396
Other	394	349	387
Total revenue	9,890	9,745	9,783
Total expenses	9,404	10,033	9,807
Net surplus/deficit	486	(288)	(24)

Output Performance 2015/16

Education promotion and advocacy

Measure	2014/15 Result	2015/16 Standard	2015/16 Result
*Effectiveness of working arrangements with Government partners to realise human rights	Achieved	Feedback from social policy, justice sector and other Government partners is received Key HRC recommendations are communicated to central and local Government agencies for implementation	Achieved

Some examples of the Commission's effective working arrangements with Government partners to realise human rights include:

Independent Review of Intelligence and Security Services

The final report was released on 29 February and directly reflects a number of the recommendations/positions in the Commission's submission. The report also references the Commission's 2014 briefing to DPMC on the Countering Foreign Terrorist Fighters legislation.

Religion in Schools

The Ministry of Education (MoE) requested comments on draft guidelines regarding religious instruction and observances in state primary schools. The Commission received very positive feedback from MoE on the comments provided and received a request to discuss further.

National Plan of Action for Human Rights

Engagement with Government to strengthen commitment to UPR actions has been completed. The Commission liaised with the Ministry of Justice (MoJ) to produce the UPR mid-term review report. All contributing NPA agencies were contacted to update actions, and all actions updated and published online.

Right to Inclusive Education report

Led the publication of the IMM Right to Inclusive Education report, released 30 June 2016, with very positive feedback from civil society. A presentation on "Inclusive Education: A Human Rights Approach" based on the IMM Right to Education report was well received by an audience of academics, activists and Government officials in NZ and overseas. This presentation has led to requests for future speaking engagements and establishment of networks.

Canterbury Earthquake Recovery

The culmination of meetings with DPMC and the Christchurch Mayor has resulted in shared understanding on how future recovery matters should be communicated. More importantly, the Commission received advice its approach to the red zone, advocated for more than 3 years, will now likely be implemented.

Measure	2014/15 Result	2015/16 Standard	2015/16 Result
Increased reach and relevance, as measured by stakeholder survey Stakeholder survey is completed and ratings across specified measures are reported and compared to previous year with a focus on improvement each year.	Achieved	Meets or exceeds previous result	Achieved
	<p>The November 2015 Audience survey results show a slight improvement on the previous year. A total of 90.69% of respondents rated the Commission as “extremely effective” (13.95%) “somewhat effective” (55.81%), and “averagely effective” (20.93%) compared with 90.48% of respondents who rated the Commission as “extremely effective” (14.29%) “somewhat effective” (54.76%), and “averagely effective” (21.43%) last year.</p> <p>A total of 87.5% rated the service or contact they had with the Commission as ‘Excellent’ (45%) or ‘Good’ (42.5%), compared to 87% (46% “excellent; 41% “good”) last year.</p>		
Increased reach and relevance, as measured by the number of downloads of Commission reports from HRC website	New	Number of downloads	27,547
	Commission reports and submissions were downloaded 27,547 times in 2015/16. The rate of downloads has been increasing month-on-month throughout 2015/16.		
Increased reach and relevance, as measured by the number of mainstream media (television and radio) references where Commissioners are able to state human rights positions and viewpoints	New	Number of references	217
	During 2015/16 there were 217 instances of the Commissioners’ placement in mainstream media outlets.		
Increased reach and relevance, as measured by social media reach and engagement statistics	New	Social media statistics	Reach: 5,589,176 Engagement: 286,027
	On average 23,836 people engaged and 465,765 people reached a month throughout 2015/16.		
*Quality of legal interventions to promote human rights as measured by positive feedback from external peer review	Achieved	*Positive feedback	Achieved
	An external peer review undertaken by the University of Auckland provided positive feedback regarding legal interventions by the Commission in 2015/16		

Measure	2014/15 Result	2015/16 Standard	2015/16 Result
*Effectiveness of engagement with, civil society including tangata whenua, business and affected sector groups	Achieved	Number of engagements that directly contribute to civil society progressing Human Rights priorities	Achieved
There have been 49 engagements with civil society that have progressed human rights priorities – sexual orientation and gender identity, Canterbury earthquake recovery, National Plan of Action for Human Rights, bullying in schools, business and human rights, disability rights, refugee and asylum seekers, race relations, indigenous rights/the Treaty of Waitangi and women’s rights.			

Monitoring and reporting

Measure	2014/15 Result	2015/16 standard	2015/16 Result
*Effective provision of coordinating activities in relation to the Commission’s role in the monitoring mechanisms associated with: <ul style="list-style-type: none"> • Convention on the Rights of Persons with Disabilities (CRPD) • Optional Protocol for the Convention against Torture (OPCAT) 	N/A 100%	90% satisfaction with the coordinating role played by the Commission	Achieved
There was 100% satisfaction with the coordinating role played by the Commission in regards to CRPD and 100% for OPCAT.			
Timely recording of changes to NPA actions	New	NPA tool is updated to reflect changes to actions	Achieved
The NPA tool has had more capability added to it; and actions and summaries have been updated. There is increased domestic and international awareness of the NPA tool, including MoJ using it to inform its interim report to the Universal Periodic Review.			
Quality of annual review and report into the ‘good employer’ obligations implemented by Crown entities	New	The number of Crown entities reaching 100% compliance rating increases from the previous year	Achieved
41 from 93 Crown Entities reached 100% compliance rating in 2015/16 compared to 40 from 91 Crown Entities in 2014/15.			
Effectiveness of the advice and guidance provided to Crown entities to improve their performance	New	At least three different Crown entities who have received advice improve their ‘good employer’ practices as measured by the annual review	Achieved
The following three Crown Entities improved their ‘good employer’ reporting practices in 2015/16 following advice from the Commission in 2014/15: <ul style="list-style-type: none"> • Antarctica NZ from 71% to 100% compliance • Social Workers Registration Board from 12% to 82% compliance • Radio New Zealand Limited from 94% to 100% compliance. 			

Responding to and resolving anti-discrimination complaints

Measure	2014/15 Result	2015/16 standard	2015/16 Result
*Customer satisfaction with the mediation service	93.6% of customers were satisfied with the mediation process	*90% of customers satisfied with the mediation process	Achieved
	Overall 92% of customers were satisfied with the mediation process		
	NB: This figure is the average of the following results: 97.5 percent were satisfied with the process saying it was explained 'very well' or 'well'; 96 percent were happy with the neutrality of the mediator saying they facilitated in a 'very fair' or 'fair' manner; 82 percent felt that mediation clarified the matter, saying that the issues were explored 'very well' or 'well'.		
	For all these survey results – 'very satisfied', 'satisfied' and 'average' are included in the result as satisfied.		
Responsive and timely resolution of enquiries and complaints	5236 new enquiries and complaints were received	*5500 new enquiries and complaints	Below forecast
	Demand driven measure – 5336 new enquiries and complaints were received		
	New	100% of unlawful discrimination complaints are provided a disputes resolution service	Achieved
	100% of unlawful discrimination complaints were provided a disputes resolution service. NB: 87 complaints were excluded because the complainant could not be contacted after the initial contact with the Commission.		
	91.3% of complaints of unlawful discrimination were closed within one year	80% of complaints of unlawful discrimination are closed within one year	Achieved
	91% of complaints of unlawful discrimination were closed within one year		
Percentage of cases resolved through dispute resolution service and resolution leads to positive systemic changes which increase the realisation of human rights	82% of cases were resolved through dispute resolution service	*80%	Achieved
	84% of cases were resolved through dispute resolution service		
	88 Positive systemic changes through resolution	*Number of Positive systemic changes ⁴ agreed by parties	Achieved
	68 positive systemic changes through resolution		

Providing legal representation and bringing proceedings (OHRP)

Measure	2014/15 Result	2015/16 standard	2015/16 Result
Responsive and timely decision making	80 human rights and privacy matters received and undertaken	60-80 human rights and privacy matters received and undertaken	Above forecast
	Demand driven measure – 105 human rights and privacy matters were received and undertaken		
	'Undertaken' means that the Commission has commenced its decision-making process in respect to the matter.		
	100% of applications were assessed and allocated to a solicitor within 10 working days	*95% of applications are assessed and allocated to a solicitor within 10 working days	Achieved
	100% of applications were assessed and allocated to a solicitor within 10 working days		
	87% of all applications for representation were substantially progressed within four months	*80% of applications are decided within four months	Not Achieved
	Overall, 78% of applications were decided within four months. This is an ambitious target for 2015/16 and out-years.		

National Human Rights Institution independence, credibility and effectiveness

Measure	2014/15 Result	2015/16 standard	2015/16 Result
*Independence, credibility and effectiveness in discharging the functions of a National Human Rights Institution	A-status accreditation	Maintenance of A-status accreditation	Achieved

- 4 'Positive systemic change' means an outcome which leads to change in systems or organisation-wide practice, a result which will affect more than one person for an indefinite length of time. Systemic changes can be distinguished from 'individual' results which are, for example, apology, donation, compensation, reinstatement. An 'educational' result is one that reaches a wider audience but is not as widespread or as firm as a systemic result, e.g press release, explanation/education in the Human Rights Act 1993

Financial Statements Tauākī pūtea

Human Rights Commission Statement of Comprehensive Revenue and Expense

for the year ended 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Revenue				
Revenue from the Crown		9,496	9,396	9,396
Interest received		166	164	184
Other revenue		228	185	203
Total revenue	2	9,890	9,745	9,783
Expenses				
Personnel costs	3	6,606	6,799	6,845
Other expenses	4	1,776	2,013	1,629
Projects and programmes		596	769	505
Travel costs		310	374	349
Depreciation and amortisation		116	78	101
Expenses before organisational change costs		9,404	10,033	9,429
Organisational change costs	5	-	-	378
Total expenses		9,404	10,033	9,807
Net surplus / deficit		486	(288)	(24)
Other comprehensive revenue and expense		-	-	-
Total comprehensive revenue and expense		486	(288)	(24)

Explanations of major variances from budget are detailed in note 19.

Human Rights Commission Statement of Financial Position

as at 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Equity				
Accumulated funds		2,625	1,677	2,139
Total equity		2,625	1,677	2,139
Current assets				
Cash and cash equivalents		679	563	860
Short-term deposits		900	1,500	2,000
Receivables	6	75	23	31
Prepayments		41	57	80
Total current assets		1,695	2,143	2,971
Current liabilities				
Payables	7	516	284	292
GST payable		114	150	160
Employee entitlements	8	344	435	380
Provision for organisational change	9	-	-	243
Total current liabilities		974	869	1,075
Working capital		721	1,274	1,896
Non-current assets				
Term deposits		1500	-	-
Property, plant and equipment	10	465	335	294
Intangible assets	11	5	130	9
Total non-current assets		1970	465	303
Non-current liabilities				
Employee entitlements	8	66	62	60
Total non-current liabilities		66	62	60
Net assets		2,625	1,677	2,139

Human Rights Commission Statement of Changes in Equity

for the year ended 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Balance at 1 July		2,139	1,965	2,163
Total comprehensive revenue and expense		486	(288)	(24)
Balance at 30 June		2,625	1,677	2,139

Human Rights Commission Statement of Cash Flows

for the year ended 30 June 2016

	Notes	Actual 2016 \$000	Budget 2016 \$000	Actual 2015 \$000
Cash flows from operating activities				
Receipts from the Crown		9,496	9,396	9,396
Receipts from other sources		235	185	211
Interest received		122	164	174
Payments to commissioners and employees		(6,157)	(6,560)	(6,735)
Payments to suppliers		(3,205)	(3,505)	(2,873)
Goods and services tax (net)		(46)	-	(15)
Net cash flow from operating activities		445	(320)	158
Cash flows from investing activities				
Maturity of term deposits		3,700	2,000	2,200
Sales of property, plant and equipment		-	-	2
Placement of short-term deposits		(4,100)	(1,500)	(3,000)
Purchases of property, plant and equipment		(226)	(98)	(36)
Purchases of intangible assets		-	(125)	(1)
Net cash flow from investing activities		(626)	277	(835)
Cash flows from financing activities				
Payments of finance lease		-	-	(13)
Net cash flow from financing activities		-	-	(13)
Net increase/(decrease) in cash		(181)	(43)	(690)
Cash and cash equivalents at the beginning of the year		860	606	1,550
Cash and cash equivalents at the end of the year		679	563	860

Human Rights Commission Notes to the Financial Statements for the year ended 30 June 2016

1 Statement of accounting policies

Reporting entity

The 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 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 2016 and were approved by the Board of the Commission on 20 October 2016.

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 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.

Grant expenditure

Discretionary grants are those grants where the Commission has no obligation to award on the receipt of a grant application and are recognised as expenditure when approved by the Commission and the approval has been communicated to the applicant.

Project and programme costs

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. This includes the cost of travel where the primary purpose of the travel relates to the project or programme activity.

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 but not more than twelve months and are initially measured at the amount invested.

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, leasehold improvements, library books and motor vehicles.

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 subsequent to 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	2.5–10 years	10–40%
Furniture and fittings	5–17 years	5.9–20%
Leasehold improvements	5–12 years	8.3–20%
Library books	5 years	20%
Motor vehicles	5 years	20%

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 licenses are capitalised on the basis of 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 on the basis of 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	2–5 years	20–50%
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.

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 and vested long service leave 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 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 and the Government Superannuation Fund 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) as a result 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 an approved detailed formal plan for the restructuring has either been announced publicly to those affected, or for which implementation has already commenced.

Commitments

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

Cancellable operating leases 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 NZ 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 a number of 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.

Notes 10 and 11 detail the carrying amounts of property, plant and equipment and intangible assets respectively.

Retirement and long service leave

Note 8 details the critical estimates and assumptions made in relation to retirement and long service leave liabilities.

Critical judgements in applying accounting policies

Computer software

The Commission has exercised judgement to determine whether expenditure on developing and configuring an Electronic Document Records Management System and intranet 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 an annual subscription service and the license agreement cannot be on-sold to a third party the criteria for recognition as an intangible asset has not been met. Accordingly, the cost to configure the software has 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

	2016 \$000	2015 \$000
Revenue from non-exchange transactions		
Revenue from the Crown	9,496	9,396
Other revenue	58	84
Total revenue from non-exchange transactions	9,554	9,480
Revenue from exchange transactions		
Interest received	166	184
Other revenue	170	119
Total revenue from exchange transactions	336	303
Total revenue	9,890	9,783

3 Personnel costs

	2016 \$000	2015 \$000
Salaries and wages	5,831	6,477
Employer contributions to defined contribution plans	110	136
Increase/(decrease) in employee entitlements	(30)	(185)
Other ⁵	695	417
Total personnel costs	6,606	6,845

Personnel costs include the Commissioners and Director of Human Rights Proceedings. It should be noted that the Commissioners and Director of Human Rights Proceedings are appointed by warrant of the Governor-General and are therefore not employees.

Employer contributions to defined contribution plans include contributions to KiwiSaver and the Government Superannuation Fund.

4 Other expenses

	2016 \$000	2015 \$000
Operating lease expense	468	523
Information and communications technology	519	319
Other operating costs	789	787
Total other expenses	1,776	1,629

Expenditure on information and communications technology in 2016 includes costs to determine requirements and commence designing the specifications for an Electronic Document Records Management System and intranet. The implementation phase of this project is scheduled for completion in the 2016/17 financial year.

5 Organisational change costs

	2016 \$000	2015 \$000
Organisational change costs	-	378
Total organisational change costs	-	378

Cost for employee cessation payments and support services relating to the organisational restructure were fully provided for last year.

⁵ Relates to short-term contractors and professional development

6 Receivables

	2016 \$000	2015 \$000
Receivables under exchange transactions		
Debtors	-	2
Accrued revenue	72	29
Total receivables under exchange transactions	72	31
Receivables under non-exchange transactions		
Debtors	3	-
Total receivables under non-exchange transactions	3	-
Total receivables	75	31

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

7 Payables

	2016 \$000	2015 \$000
Payables under exchange transactions		
Creditors	407	193
Revenue received in advance	34	17
Total payables under exchange transactions	441	210
Payables under non-exchange transactions		
PAYE tax payable	75	72
Grants received subject to conditions	-	10
Total payables under non-exchange transactions	75	82
Total payables	516	292

8 Employee entitlements

	2016 \$000	2015 \$000
Current portion		
Accrued salaries and wages	21	3
Annual leave	300	359
Retirement and long service leave	23	18
Total current portion	344	380
Non-current portion		
Retirement and long service leave	66	60
Total non-current portion	66	60
Total employee entitlements	410	440

The liability for retirement and long service leave entitlements is carried at the present value of estimated future cash flows, calculated based on a number of 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 3.13% (2015: 4.39%) and an inflation factor of 3.0% (2015: 3.0%) 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 1 percentage point from that used is negligible.

9 Provision for organisational change

	2016 \$000	2015 \$000
Opening balance	243	-
Additional provisions made	-	243
Amounts used	(243)	
Total provision for organisational change	-	243

The Commission's Board approved a detailed and formal restructuring plan in June 2015 and restructuring commenced that month. The provision represented the cost of redundancy and other payments arising from the restructure which were completed by August 2015.

10 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 2014	770	279	561	115	74	1,799
Additions	36	-	-	-	-	36
Disposals	(162)	-	-	-	(28)	(190)
Balance at 30 June 2015	644	279	561	115	46	1,645
Balance at 1 July 2015	644	279	561	115	46	1,645
Additions	130	12	149	-	-	291
Disposals	(183)	(5)	(500)	-	-	(688)
Balance at 30 June 2016	591	286	210	115	46	1,248
Accumulated depreciation and impairment losses						
Balance at 1 July 2014	573	154	519	115	74	1,435
Depreciation expense	68	21	7	-	-	96
Eliminate on disposal	(152)	-	-	-	(28)	(180)
Balance at 30 June 2015	489	175	526	115	46	1,351
Balance at 1 July 2015	489	175	526	115	46	1,351
Depreciation expense	65	11	36	-	-	112
Eliminate on disposal	(177)	(3)	(500)	-	-	(680)
Balance at 30 June 2016	377	183	62	115	46	783
Carrying amounts						
At 1 July 2014	197	125	42	-	-	364
At 30 June and 1 July 2015	155	104	35	-	-	294
At 30 June 2016	214	103	148	-	-	465

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 (2015: nil).

11 Intangible assets

Movements for each class of intangible asset are as follows:

	Acquired Software \$000	Trademarks \$000	Total \$000
Cost			
Balance at 1 July 2014	124	4	128
Additions	1	-	1
Balance at 30 June 2015	125	4	129
Balance at 1 July 2015	125	4	129
Disposals	(30)	-	(30)
Balance at 30 June 2016	95	4	99
Accumulated amortisation and impairment losses			
Balance at 1 July 2014	113	2	115
Amortisation expense	5	-	5
Balance at 30 June 2015	118	2	120
Balance at 1 July 2015	118	2	120
Amortisation expense	3	1	4
Eliminate on disposal	(30)	-	(30)
Balance at 30 June 2016	91	3	94
Carrying amounts			
At 1 July 2014	11	2	13
At 30 June and 1 July 2015	7	2	9
At 30 June 2016	4	1	5

There are no restrictions over the title of the Commission's intangible assets, nor are any intangible assets pledged as security for liabilities (2015: nil).

12 Capital commitments and operating leases

Capital commitments

At the balance date, contractual commitments for the construction of the Auckland office fit out were \$514,000 (2015: nil).

Operating leases

A verbal commitment has been made to lease level 7, 41 Shortland Street, Auckland for an initial term of six years at an annual fee of \$303,982.50 + OPEX + GST per annum. This provides a shared space for the Commission and the Energy Efficiency and Conservation Authority (EECA). The lease had not been signed at the 30 June 2016 balance date.

The Commission also occupies office space in Wellington and Christchurch on a shared services arrangement with other Government agencies.

13 Contingencies

Contingent liabilities

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 (2015: nil).

Contingent assets

The Commission has no contingent assets (2015: nil).

14 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

	2016	2015
Commissioners and Director of Human Rights Proceedings		
Total remuneration	\$1,373,125	\$1,330,469
Full-time equivalent members	5.6	5.5
Senior Management Team		
Total remuneration	\$1,374,584	\$1,396,904
Full-time equivalent members	8.2	7.3
Total key management personnel compensation	\$2,747,709	\$2,727,373
Total full-time equivalent personnel	13.8	12.8

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

15 Commissioners' and other committee member's total remuneration

Total remuneration includes all benefits paid or payable to each commissioner or committee member during the financial year.

Position	Member	2016 \$	2015 \$
Chief Commissioner	David Rutherford	339,253	324,517
Commissioner (part-time)	Karen Johansen	83,920	83,725
Commissioner (part-time)	Richard Tankersley	71,860	63,735
Disability Rights Commissioner (part-time)	Paul Gibson	186,376	181,577
Equal Employment Opportunities Commissioner	Jackie Blue	232,990	229,345
Race Relations Commissioner	Susan Devoy	232,947	226,987
Audit Committee Chair	Graeme R Mitchell	1,918	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 Board members and employees.

16 Employee remuneration

The Commission, as a Crown entity, is required to disclose certain remuneration information in its annual report. In essence, the information to be reported is the number of employees receiving total remuneration of \$100,000 or more per annum. Total remuneration includes end of contract payments such as 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 are not employees of the Commission they have been excluded from the table.

Remuneration of employees over \$100,000 per annum

Total remuneration p.a.	Number of employees	
	2016	2015
\$100,000 - \$110,000	3	8
\$110,001 - \$120,000	4	3
\$120,001 - \$130,000	-	-
\$130,001 - \$140,000	1	3
\$140,001 - \$150,000	-	-
\$150,001 - \$160,000	6	1
\$160,001 - \$170,000	1	2
\$170,001 - \$180,000	-	-
\$180,001 - \$190,000	-	-
\$190,001 - \$200,000	-	-
\$200,001 - \$210,000	-	-
\$210,001 - \$220,000	-	-
\$220,001 - \$230,000	1	1
\$230,001 - \$240,000	1	-
\$240,001 - \$250,000	-	-
\$250,001 - \$260,000	-	-
\$260,001 - \$270,000	-	-
\$270,001 - \$280,000	-	1

Cessation payments

During the year ended 30 June 2016 payments totaling \$245,000 were made to 6 employees in relation to their cessation of employment (2015: 7 employees, total \$234,410).

17 Events after the balance sheet date

There were no significant events after the balance date.

18 Categories of financial instruments

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

	2016 \$000	2015 \$000
Loans and receivables		
Cash and cash equivalents	679	860
Term deposits	2,400	2,000
Receivables	75	31
Total loans and receivables	3,154	2,891
Financial liabilities measured at amortised cost		
Payables (excluding revenue in advance and taxes payable)	407	193
Total financial liabilities measured at amortised cost	407	193

19 Explanation of major variances from budget

Statement of comprehensive revenue and expense

Revenue was \$145,000 or 1.5% more than budgeted as a result of the receipt of additional funding for the Tackling Casual Racism Campaign.

Expenses were \$629,000 or 6.3% less than budgeted:

- a Personnel costs were \$193,000 or 2.8% less than budgeted due to vacancies.
- b Spending on projects and programmes was \$173,000 or 22% less than budgeted due to savings and a deferral of some costs to next year. Our national plan of action project was reduced in scope and some legal cases in which we are intervening are either no longer proceeding or Court hearings have been moved to next financial year.
- c Travel costs were \$64,000 or 17% less than budgeted due to ongoing cost management together with planned travel either not taking place or being arranged and funded by third parties.
- d Depreciation and amortisation was \$38,000 or 49% more than budgeted. The replacement of computer workstations was brought forward in preparation for IT system improvements and to address residual IT risk. In addition, leasehold improvements at 21 Queen Street, Auckland were written-down because the assets would have a shorter useful life than previously expected as a result of surrendering the lease early.
- e Other expenses were \$237,000 or 12% less than budgeted primarily due to phasing of costs for the selection, design and configuration of an Electronic Document Records Management System. Implementation costs will now be incurred in the 2016/17 financial year.

Independent Auditor's Report

To the readers of The Human Rights Commission's financial statements and performance information for the year ended 30 June 2016

The Auditor-General is the auditor of the Human Rights Commission. The Auditor-General has appointed me, J.R Smail, 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 an appropriation, of the Human Rights Commission on her behalf.

Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the Human Rights Commission on pages 46 to 64, that comprise the statement of financial position as at 30 June 2016, 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 that include accounting policies and other explanatory information; and
- the performance information of the Human Rights Commission on pages 17 to 28 and 38 to 44.

In our opinion:

- the financial statements of the Human Rights Commission:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2016; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- the performance information:
 - presents fairly, in all material respects, the Human Rights Commission's performance for the year ended 30 June 2016, including:
 - for each class of reportable outputs:
 - its standards of performance achieved as compared with forecasts included in the statement of performance expectations for the financial year;
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 20 October 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Commissioners and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Human Rights Commission's financial statements and performance information 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.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Commissioners;
- the appropriateness of the reported performance information within the Human Rights Commission's framework for reporting performance;
- the adequacy of the disclosures in the financial statements and the performance information; and
- the overall presentation of the financial statements and the performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance information. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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

Responsibilities of the Commissioners

The Commissioners are responsible for preparing financial statements and performance information that:

- comply with generally accepted accounting practice in New Zealand;
- present fairly the Human Rights Commission's financial position, financial performance and cash flows; and
- present fairly the Human Rights Commission's performance.

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

The Commissioners are responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error. The Commissioners are also responsible for the publication of the financial statements and the performance information, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the performance information and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Human Rights Commission.



J.R Smail
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand



Human Rights Commission
Te Kāhui Tika Tangata