

Vote Labour Market

APPROPRIATION MINISTER(S): Minister for ACC (M1), Minister for Economic Development (M25), Minister of Immigration (M38), Minister for Workplace Relations and Safety (M43), Minister of Employment (M95)

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

RESPONSIBLE MINISTER FOR MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT:
Minister for Economic Development

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
ACC - Regulatory Services (M1) This appropriation is limited to the management of the residual long-term responsibility related to the Crown's ongoing risks resulting from the introduction of the competitive accident insurance market during 1999/2000.	122	6	128
Employment - Employment Sector Analysis and Facilitation (M95) This appropriation is limited to employment information, facilitation and matching services, and analysis of the functioning of the labour market.	2,984	502	3,486
Immigration - Regulation of Immigration Advisers (M38) This appropriation is limited to: the regulation of persons who provide immigration advice; facilitating the education and professional development of Immigration Advisers; and increasing public awareness of the Immigration Advisers Authority, pursuant to the functions described in section 35 of the Immigration Advisers Licensing Act 2007.	3,972	-	3,972
Workplace Relations and Safety - Employment Relations Services (M43) This appropriation is limited to information, guidance, investigation, enforcement, mediation and decision-making regarding employment rights and the upholding of regulatory standards including support services provided to employment relations institutions.	39,873	(137)	39,736
Workplace Relations and Safety - Shared Services Support (M43) This appropriation is limited to support services to other agencies.	10,500	2,250	12,750
Total Departmental Output Expenses	57,451	2,621	60,072
Non-Departmental Output Expenses			
ACC - Case Management and Supporting Services (M1) This appropriation is limited to injury prevention, claim processing, assessment, payment services and case management in respect of claims on the ACC Non-Earners' Account.	165,393	-	165,393
ACC - Case Management and Supporting Services - Treatment Injuries for Non-Earners (M1) This appropriation is limited to cover the cost of injury prevention, claim lodgement and management, investment management and appropriation setting for claims by non-earners on the ACC Treatment Injury Account.	16,191	-	16,191
ACC - Public Health Acute Services (M1) This appropriation is limited to public health acute services in respect of claims on the ACC Non-Earners' Account.	310,286	-	310,286
ACC - Public Health Acute Services - Treatment Injuries for Non-Earners (M1) This appropriation is limited to fund public health acute services for claims by non-earners on the ACC Treatment Injury Account.	1,822	-	1,822
ACC - Rehabilitation Entitlements and Services (M1) This appropriation is limited to purchasing medical services, social rehabilitation, elective health care services and contracted services in respect of claims on the ACC Non-Earners' Account.	723,717	(600)	723,117

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
ACC - Rehabilitation Entitlements and Services - Treatment Injuries for Non-Earners (M1) This appropriation is limited to cover the cost of purchasing medical services, social rehabilitation and elective health care services and contracted services for claims by non-earners on the ACC Treatment Injury Account.	159,352	-	159,352
ACC - Sexual Abuse Assessment and Treatment Services (M1) This appropriation is limited to Sexual Abuse Assessment and Treatment Services (SAATS) and supporting Medical Sexual Assault Clinicians Aotearoa to sustain the capability required to deliver SAATS.	5,000	2,100	7,100
Workplace Relations and Safety - Health and Safety at Work Levy - Collection Services (M43) This appropriation is limited to collection services from the Accident Compensation Corporation (ACC), to collect the Health and Safety at Work Levy on behalf of the Crown.	869	-	869
Workplace Relations and Safety - Workplace Health and Safety (M43) This appropriation is limited to information, education, leadership, guidance, support, and enforcement relating to the health and safety of workers and workplaces.	93,288	-	93,288
Total Non-Departmental Output Expenses	1,475,918	1,500	1,477,418
Benefits or Related Expenses			
ACC - Compensation Entitlements (M1) This appropriation is limited to the provision of income maintenance, independence allowance, and other compensation payments for claims on the ACC Non-Earners' Account.	68,304	-	68,304
ACC - Compensation Entitlements - Treatment Injuries for Non-Earners (M1) This appropriation is limited to the provision of income maintenance, independence allowance, and other compensation payments for claims by non-earners on the ACC Treatment Injury Account.	15,217	-	15,217
Total Benefits or Related Expenses	83,521	-	83,521
Non-Departmental Other Expenses			
Crown Debt Write Offs (M25) This appropriation is limited to expenses arising from the recognition of impaired value of Crown debts, including write down and write offs.	125	-	125
Employment - He Poutama Rangatahi/Youth Employment Pathways (M95) This appropriation is limited to training and employment programmes for young people in Te Tai Tokerau, Eastern Bay of Plenty, Tairāwhiti and Hawke's Bay.	8,000	4,273	12,273
Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances PLA (M43) This appropriation is limited to the salaries and allowances of the members of the Employment Relations Authority, as authorised by section 171 of the Employment Relations Act 2000.	4,180	160	4,340
Workplace Relations and Safety - Equal Employment Opportunities Trust (M43) This appropriation is limited to the promotion of Equal Employment Opportunities as a good management practice, delivered in partnership with the private sector.	396	-	396
Workplace Relations and Safety - International Labour Organisation (M43) This appropriation is limited to New Zealand's annual subscription to the International Labour Organisation.	1,400	65	1,465

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Workplace Relations and Safety - New Zealand Industrial Relations Foundation (M43) This appropriation is limited to education to promote better industrial relations.	15	-	15
Workplace Relations and Safety - Remuneration Authority Members' Fees, Salaries and Allowances (M43) This appropriation is limited to the fees, salaries and allowances of the members of the Remuneration Authority.	300	-	300
Total Non-Departmental Other Expenses	14,416	4,498	18,914
Multi-Category Expenses and Capital Expenditure			
Immigration Services MCA (M38) The overarching purpose of this appropriation is to provide efficient immigration services that generate positive economic outcomes for New Zealand and meet New Zealand's obligations to refugee and protected persons. <i>Departmental Output Expenses</i>	351,375	11,222	362,597
<i>Assessment and Processing Services</i> This category is limited to the assessment and processing of visa applications.	247,198	9,682	256,880
<i>Integrity and Security of the New Zealand Immigration System</i> This category is limited to border control, the investigation and prosecution of entities which breach the Immigration Act, the deportation of people unlawfully in New Zealand or in breach of their visa conditions, and related services to maintain and enhance the integrity and security of New Zealand's immigration system.	52,930	(302)	52,628
<i>Services for the Attraction of Migrants</i> This category is limited to the development and provision of services and information aimed at attracting migrants to New Zealand.	11,579	601	12,180
<i>Settlement and Integration of Refugees and Other Migrants</i> This category is limited to the provision of services that enable the settlement and integration of migrants and refugees into New Zealand society, including processing claims for refugee and protected persons status.	39,668	1,241	40,909
Policy Advice and Related Outputs MCA (M43) The single overarching purpose of this appropriation is to provide policy advice and other support services to Ministers in discharging their policy decision-making and other portfolio responsibilities. <i>Departmental Output Expenses</i>	21,449	(543)	20,906
<i>Policy Advice - ACC</i> This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to the accident compensation system.	1,926	7	1,933
<i>Policy Advice - Employment</i> This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to employment.	2,179	(172)	2,007
<i>Policy Advice - Immigration</i> This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to immigration policy and international immigration commitments.	5,869	(456)	5,413

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Policy Advice - Workplace Relations and Safety</i> This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to workplace relations and safety (including Hazardous Substances and New Organisms) and international labour commitments.	7,494	2	7,496
<i>Related Services to Ministers - ACC</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the accident compensation system.	301	45	346
<i>Related Services to Ministers - Employment</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to employment.	1,504	25	1,529
<i>Related Services to Ministers - Immigration</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to immigration.	1,376	5	1,381
<i>Related Services to Ministers - Workplace Relations and Safety</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to workplace relations and safety and international labour commitments, including monitoring of Crown Entities and Statutory Bodies.	800	1	801
Total Multi-Category Expenses and Capital Expenditure	372,824	10,679	383,503
Total Annual Appropriations and Forecast Permanent Appropriations	2,004,130	19,298	2,023,428

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2018/19				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	1,533,369	2,621	1,500	4,121	1,537,490
Benefits or Related Expenses	83,521	N/A	-	-	83,521
Borrowing Expenses	-	-	-	-	-
Other Expenses	14,416	-	4,498	4,498	18,914
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	372,824	10,679	-	10,679	383,503
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	2,004,130	13,300	5,998	19,298	2,023,428
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	135,053	N/A	-	-	135,053
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	135,053	N/A	-	-	135,053

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

ACC - Regulatory Services (M1)

Scope of Appropriation

This appropriation is limited to the management of the residual long-term responsibility related to the Crown's ongoing risks resulting from the introduction of the competitive accident insurance market during 1999/2000.

Reasons for Change in Appropriation

This appropriation increased by \$6,000 to \$128,000 for 2018/19 to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Employment - Employment Sector Analysis and Facilitation (M95)

Scope of Appropriation

This appropriation is limited to employment information, facilitation and matching services, and analysis of the functioning of the labour market.

Reasons for Change in Appropriation

This appropriation increased by \$502,000 to \$3.486 million in 2018/19 due to:

- a transfer of \$500,000 from Vote Business, Science and Innovation - Regional Economic Development portfolio to assist the Sector Workforce Engagement Programme (SWEPE) to establish two additional jobs and skills hubs in Auckland, and
- a \$2,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Workplace Relations and Safety - Employment Relations Services (M43)

Scope of Appropriation

This appropriation is limited to information, guidance, investigation, enforcement, mediation and decision-making regarding employment rights and the upholding of regulatory standards including support services provided to employment relations institutions.

Reasons for Change in Appropriation

This appropriation decreased by \$137,000 to \$39.736 million in 2018/19 due to:

- a \$639,000 transfer from the Workplace Relations and Safety - Employment Relations Services appropriation to the Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances (PLA) appropriation to reflect that spending on additional Employment Relations Authority (ERA) members will occur under the Employment Relations Authority Members' Salaries and Allowances PLA rather than the Employment Relations Services appropriation, and
- a \$175,000 transfer to the Ministry of Business, Innovation and Employment's Capital Injection appropriation which transfers operating funding into capital funding, to assist in procuring a new payroll system to ensure compliance with the Holidays Act 2003.

This decrease is partially offset by the following increases:

- a \$500,000 transfer from 2017/18 to 2018/19 to reflect delays on the work on the provision of information and guidance on Employment Relations Bill amendments and legislative changes to address pay inequities
- a \$175,000 transfer from 2017/18 to 2018/19 reflecting the delays affecting the actions to correct the historical non-compliance with the Holidays Act 2003, and
- a \$2,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Workplace Relations and Safety - Shared Services Support (M43)

Scope of Appropriation

This appropriation is limited to support services to other agencies.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	10,500	2,250	12,750
Revenue from the Crown	-	-	-
Revenue from Others	10,500	2,250	12,750

Reasons for Change in Appropriation

This appropriation increased by \$2.250 million to \$12.750 million for 2018/19 due to:

- \$1.500 million to reflect estimated salary costs for the Ministry of Business, Innovation and Employment's staff being seconded to government departments and other entities
- \$500,000 to reflect corporate shared services recovery costs from WorkSafe New Zealand, and
- \$250,000 to reflect corporate shared services recovery costs from Te Kāhui Whakamana Rua Tekau mā Iwa - the Pike River Recovery Agency.

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

ACC - Case Management and Supporting Services (M1)

Scope of Appropriation

This appropriation is limited to injury prevention, claim processing, assessment, payment services and case management in respect of claims on the ACC Non-Earners' Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Average cost per claim (administration costs less investment management and injury prevention costs/active entitlement claims)	2,104	Measure removed	-
Administration costs per active claim	-	New measure	2,395
Percentage of reviews upheld	Greater than or equal to 84%	Measure removed	-
Proportion of ACC reviews upheld (in favour of ACC)	-	New measure	Greater than or equal to 82%
Average time to resolution for claims with reviews	-	New measure	Less than 96.5 days
Cover decision timeliness	-	New measure	1.1 days
Investment performance after costs relative to benchmark	-	New measure	0.30%
Investment management costs as a proportion of total funds under management	-	New measure	0.15%
The portfolio of injury prevention investments approved will have an assessed positive return on investment	-	New measure	\$1.80:\$1
Average time taken by ACC to make surgery decisions - declined requests	Less than 32 days	Measure removed	-
Formal reviews as a percentage of entitlement claims	2.3%	Measure removed	-
Reviews as a percentage of declined decisions	-	New measure	Less than 7.1%

ACC - Case Management and Supporting Services - Treatment Injuries for Non-Earners (M1)

Scope of Appropriation

This appropriation is limited to cover the cost of injury prevention, claim lodgement and management, investment management and appropriation setting for claims by non-earners on the ACC Treatment Injury Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Average time taken by ACC to make surgery decisions - declined requests	Less than 32 days	Measure removed	-
Formal reviews as a percentage of entitlement claims	2.3%	Measure removed	-
Reviews as a percentage of declined decisions	-	New measure	Less than 7.1%
Average cost per claim (administration costs less investment management and injury prevention costs /active entitlement claims)	2,104	Measure removed	-
Administration costs per active claim	-	New measure	2,395
Percentage of reviews upheld	Greater than or equal to 84%	Measure removed	-
Proportion of ACC reviews upheld (in favour of ACC)	-	New measure	Greater than or equal to 82%
Average time to resolution for claims with reviews	-	New measure	Less than 96.5 days
Cover decision timeliness	-	New measure	1.1 days
Investment performance after costs relative to benchmark	-	New measure	0.30%
Investment management costs as a proportion of total funds under management	-	New measure	0.15%
The portfolio of injury prevention investments approved will have an assessed positive return on investment	-	New measure	\$1.80:\$1

ACC - Public Health Acute Services (M1)

Scope of Appropriation

This appropriation is limited to public health acute services in respect of claims on the ACC Non-Earners' Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Agreement with Ministry of Health for public health acute services will be signed off no later than the end of the year to which this applies	-	New measure	Agreement reached

ACC - Public Health Acute Services - Treatment Injuries for Non-Earners (M1)

Scope of Appropriation

This appropriation is limited to fund public health acute services for claims by non-earners on the ACC Treatment Injury Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Agreement with Ministry of Health for public health acute services will be signed off no later than the end of the year to which this applies	-	New measure	Agreement reached

ACC - Rehabilitation Entitlements and Services (M1)

Scope of Appropriation

This appropriation is limited to purchasing medical services, social rehabilitation, elective health care services and contracted services in respect of claims on the ACC Non-Earners' Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost per injury	Less than or equal to 2.9%	Measure removed	-
Change in average treatment cost	-	New measure	Less than or equal to 5.0%
Number of long term clients returned to independence in the past 12 months	3,793	Measure removed	-
Long Term Claim Pool return to independence	-	New measure	3,729
Percentage of total expenditure paid directly to clients or for services to clients	-	New measure	86.2%
Proportion of clients who go ahead with surgery who are successfully rehabilitated 12 months after being approved for surgery	-	New measure	85.0%
Return to independence for those not in the workforce	-	New measure	86.0%
Customer satisfaction - clients	80%	Measure removed	-
ClientNet Trust Score	-	New measure	+30.6

Reasons for Change in Appropriation

This appropriation decreased by \$600,000 to \$723.117 million in 2018/19 due to a transfer to deliver Sexual Abuse Assessment and Treatment Services (SAATS) through the ACC - Sexual Abuse Assessment and Treatment Services appropriation in Vote Labour Market.

ACC - Rehabilitation Entitlements and Services - Treatment Injuries for Non-Earners (M1)

Scope of Appropriation

This appropriation is limited to cover the cost of purchasing medical services, social rehabilitation and elective health care services and contracted services for claims by non-earners on the ACC Treatment Injury Account.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost per injury	Less than or equal to 2.9%	Measure removed	-
Change in average treatment cost	-	New measure	Less than or equal to 5.0%
Number of long term clients returned to independence in the past 12 months	3,793	Measure removed	-
Long Term Claim Pool return to independence	-	New measure	3,729
Customer satisfaction - clients	80%	Measure removed	-
ClientNet Trust Score	-	New measure	+30.6
Percentage of total expenditure paid directly to clients or for services to clients	-	New measure	86.2%
Proportion of clients who go ahead with surgery who are successfully rehabilitated 12 months after being approved for surgery	-	New measure	85.0%
Return to independence for those not in the workforce	-	New measure	86.0%

ACC - Sexual Abuse Assessment and Treatment Services (M1)

Scope of Appropriation

This appropriation is limited to Sexual Abuse Assessment and Treatment Services (SAATS) and supporting Medical Sexual Assault Clinicians Aotearoa to sustain the capability required to deliver SAATS.

Reasons for Change in Appropriation

The appropriation increased by \$2.100 million to \$7.100 million for 2018/19 due to a transfer of \$1.500 million from Vote Police and a transfer of \$600,000 from the ACC - Rehabilitation Entitlements and Services appropriation to assist with the delivery of Sexual Abuse Assessment and Treatment Services (SAATS).

3.4 - Non-Departmental Other Expenses

Employment - He Poutama Rangatahi/Youth Employment Pathways (M95)

Scope of Appropriation

This appropriation is limited to training and employment programmes for young people in Te Tai Tokerau, Eastern Bay of Plenty, Tairāwhiti and Hawke's Bay.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		Total Standard
	Estimates Standard	Supplementary Estimates Standard	
The impact of He Poutama Rangatahi will be evaluated annually (see Note 1)	Achieved	Measure removed	-
Number of programmes run for young people	-	New measure	10

Reasons for Change in Appropriation

This appropriation increased by \$4.273 million to \$12.273 million in 2018/19 due to a transfer of funding from 2017/18 to 2018/19 reflecting that it has taken longer than anticipated for communities and sectors to finalise proposals for a new pilot initiative involving a community-led approach.

Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances PLA (M43)

Scope of Appropriation

This appropriation is limited to the salaries and allowances of the members of the Employment Relations Authority, as authorised by section 171 of the Employment Relations Act 2000.

Reasons for Change in Appropriation

This appropriation increased by \$160,000 to \$4.340 million in 2018/19 to reflect that spending on additional Employment Remuneration Authority (ERA) members will occur under the Employment Relations Authority Members' Salaries and Allowances PLA rather than the Employment Relations Services appropriation.

Workplace Relations and Safety - International Labour Organisation (M43)

Scope of Appropriation

This appropriation is limited to New Zealand's annual subscription to the International Labour Organisation.

Reasons for Change in Appropriation

This appropriation increased by \$65,000 to \$1.465 million in 2018/19 to address exchange rate fluctuations.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Immigration Services (M38)

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide efficient immigration services that generate positive economic outcomes for New Zealand and meet New Zealand's obligations to refugee and protected persons.

Scope of Appropriation

Departmental Output Expenses

Assessment and Processing Services

This category is limited to the assessment and processing of visa applications.

Integrity and Security of the New Zealand Immigration System

This category is limited to border control, the investigation and prosecution of entities which breach the Immigration Act, the deportation of people unlawfully in New Zealand or in breach of their visa conditions, and related services to maintain and enhance the integrity and security of New Zealand's immigration system.

Services for the Attraction of Migrants

This category is limited to the development and provision of services and information aimed at attracting migrants to New Zealand.

Settlement and Integration of Refugees and Other Migrants

This category is limited to the provision of services that enable the settlement and integration of migrants and refugees into New Zealand society, including processing claims for refugee and protected persons status.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	351,375	11,222	362,597
Departmental Output Expenses			
Assessment and Processing Services	247,198	9,682	256,880
Integrity and Security of the New Zealand Immigration System	52,930	(302)	52,628
Services for the Attraction of Migrants	11,579	601	12,180
Settlement and Integration of Refugees and Other Migrants	39,668	1,241	40,909

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	106,901	965	107,866
Assessment and Processing Services	5,452	1,217	6,669
Integrity and Security of the New Zealand Immigration System	52,930	(1,363)	51,567
Services for the Attraction of Migrants	9,697	251	9,948
Settlement and Integration of Refugees and Other Migrants	38,822	860	39,682
Revenue from Others	251,024	10,257	261,281
Assessment and Processing Services	248,296	8,465	256,761
Integrity and Security of the New Zealand Immigration System	-	1,061	1,061
Services for the Attraction of Migrants	1,882	350	2,232
Settlement and Integration of Refugees and Other Migrants	846	381	1,227

How Performance will be Assessed for this Appropriation

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The annual quota of United Nations High Commissioner for Refugees (UNHCR) mandated refugees and their immediate families who travelled to New Zealand is met	Achieved	Measure removed	-

What is Intended to be Achieved with this Appropriation

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Assessment and Processing Services			
This category is intended to achieve quality decisions on visa applications efficiently.			
The percentage of student visa applications decided within 30 days	85%	Measure removed	-
The percentage of work visa applications decided within 30 days	85%	Measure removed	-
The number of people approved for residence under the New Zealand Residence Programme	40,000 - 45,000	Measure removed	-
The percentage of audited residence visa decisions rated as accurate	90%	Measure removed	-
The percentage of audited temporary visa decisions rated as accurate	90%	Measure removed	-
The percentage of visitor visa applications decided within 25 days	90%	Measure removed	-

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Quality of residence visa decisions: percentage rated as accurate	-	New measure	90%
Quality of temporary visa decisions: percentage rated as accurate	-	New measure	90%
Percentage of low risk visitor and student visa applications decided within 15 days	-	New measure	85%
Integrity and Security of the New Zealand Immigration System			
This category is intended to maintain the integrity and security of New Zealand's immigration system and processes.			
The percentage of successful prosecutions	85%	Measure removed	-
The number of people, currently in violation of their visa conditions, who were deported or departed voluntarily	1,500-2,000	Measure removed	-
Number of people, liable for deportation, who were deported or departed voluntarily after compliance activity	-	New measure	1,500-2,000
Services for the Attraction of Migrants			
This category is intended to achieve immigration to New Zealand of persons who match the priorities of New Zealand's immigration strategies.			
Average monthly percentage of new registrations entered into the NZ Now database of people from a priority market	85%	Measure removed	-
The percentage of employers and stakeholders satisfied with the overall quality of service provided by Immigration NZ's relationship managers	80%	Measure removed	-
Settlement and Integration of Refugees and Other Migrants			
This category is intended to achieve the integration into New Zealand of migrants and refugees who settle permanently in New Zealand.			
The annual quota of United Nations High Commissioner for Refugees (UNHCR) mandated refugees and their immediate families who travelled to New Zealand is met	-	New measure	Achieved
The percentage of refugee and protection claims decided within 140 days	75%	Measure removed	-
Number of people approved under the Refugee Family Support category	300	Measure removed	-
The percentage of migrants who are satisfied with the settlement services they have accessed	90%	Measure removed	-
Percentage of migrants who are satisfied with the settlement services they have accessed	-	New measure	90%

Reasons for Change in Appropriation

This appropriation increased by \$11.222 million to \$362.597 million for 2018/19 due to:

Assessment and Processing Services

This category increased by \$9.282 million to \$256.480 million for 2018/19 due to:

- \$2.900 million increase to reflect the above-forecast growth in the education sector is anticipated to lead to increased demand for work visas as students look to transition to work visas, which will in turn lead to additional revenue.
- \$2.310 million adjustment to reflect the rising volumes of visa products above forecasts particularly in the tourism and business sectors
- funding of \$2.015 million for the proposed introduction of the Electronic Travel Authority initiative
- a transfer of \$817,000 from 2017/18 to 2018/19 to reflect delays in the Submission Service, Delegations and Website, Controls and Assurance System and Generic Application Programming Interface (API) projects
- a \$588,000 adjustment to recognise capital charge associated with the Electronic Travel Authority initiative
- a transfer of \$500,000 from Vote Lands for the "Banning Overseas Buyers of Existing Homes" initiative
- additional funding of \$400,000 for the Christchurch Visa response, and
- \$152,000 adjustment relating to the recovery of salary costs from secondment of employees to other public sector agencies.

Integrity and Security of the New Zealand Immigration System

This category decreased by \$302,000 to \$52.628 million for 2018/19 due to:

- \$7 million transfer to the Ministry of Business, Innovation and Employment's Capital Injection appropriation i.e. a transfer of operating funding to capital funding, to assist in procuring a new payroll system to ensure compliance with the Holidays Act 2003, and
- \$1.700 million transfer from 2018/19 to 2019/20 reflecting delays in the Passenger Name Record and Automated Targeting projects due to the unavailability of resource.

These decreases are partially offset by the following increases:

- \$7 million transfer from 2017/18 to 2018/19 to reflect the postponement of the Holidays Act 2003 remediation project to 2018/19 and procurement of a new payroll system to address the non-compliance with the legislation
- \$709,000 adjustment relating to the Pacific Immigration, Identity and Intelligence and Pacific Immigration Directors Programme reflecting a Memorandum of Understanding with the Ministry of Foreign Affairs
- \$235,000 transfer from 2017/18 to 2018/19 reflecting delays to the Identity in the Justice Sector initiative

- \$200,000 adjustment relating to the recovery of salary costs from secondment of employees to other public sector agencies
- \$100,000 transfer from 2017/18 to 2018/19 to reflect delays in the Health and Safety Improvement project where purchase of radios and radio services were re-negotiated
- \$77,000 transfer from the Policy Advice - Immigration category to reflect the internal change of responsibility for the Pacific Immigration Co-operation activities
- \$75,000 transfer from Vote Foreign Affairs for a review of the domestic policy settings around immigration in Kiribati, and
- \$2,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Services for the Attraction of Immigrants

This category increased by \$601,000 to \$12.180 million for 2018/19 due to:

- \$350,000 transfer from 2017/18 to 2018/19 to reflect delays in the Strengthen Pacific Partnerships programme related to identifying suitably qualified employers to undertake the Canterbury Reconstruction and Fisheries workers trial in Christchurch
- \$250,000 transfer from 2017/18 to 2018/19 to reflect timing of the changes to the Skilled Migrant Category policy settings, and
- \$1,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Settlement and Integration of Refugees and Other Immigrants

This category increased by \$1.241 million to \$40.909 million for 2018/19 due to:

- drawdown of \$556,000 of contingency funds for increased settlement services through the Refugee Quota Increase initiative
- \$381,000 transfer from the Policy Advice - Immigration category to reflect the internal change of responsibility for the Pacific Immigration Co-operation activities
- \$300,000 transfer from 2017/18 to 2018/19 reflecting delays in identifying and contracting a bespoke provider with the capability to develop the Cross Government Intercultural Competency Development programme, and
- \$4,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

Policy Advice and Related Outputs (M43)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide policy advice and other support services to Ministers in discharging their policy decision-making and other portfolio responsibilities.

Scope of Appropriation

Departmental Output Expenses

Policy Advice - ACC

This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to the accident compensation system.

Policy Advice - Employment

This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to employment.

Policy Advice - Immigration

This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to immigration policy and international immigration commitments.

Policy Advice - Workplace Relations and Safety

This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to workplace relations and safety (including Hazardous Substances and New Organisms) and international labour commitments.

Related Services to Ministers - ACC

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the accident compensation system.

Related Services to Ministers - Employment

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to employment.

Related Services to Ministers - Immigration

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to immigration.

Related Services to Ministers - Workplace Relations and Safety

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to workplace relations and safety and international labour commitments, including monitoring of Crown Entities and Statutory Bodies.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	21,449	(543)	20,906
Departmental Output Expenses			
Policy Advice - ACC	1,926	7	1,933
Policy Advice - Employment	2,179	(172)	2,007
Policy Advice - Immigration	5,869	(456)	5,413
Policy Advice - Workplace Relations and Safety	7,494	2	7,496
Related Services to Ministers - ACC	301	45	346
Related Services to Ministers - Employment	1,504	25	1,529
Related Services to Ministers - Immigration	1,376	5	1,381
Related Services to Ministers - Workplace Relations and Safety	800	1	801
Funding for Departmental Output Expenses			
Revenue from the Crown	21,449	(543)	20,906
Policy Advice - ACC	1,926	7	1,933
Policy Advice - Employment	2,179	(172)	2,007
Policy Advice - Immigration	5,869	(456)	5,413
Policy Advice - Workplace Relations and Safety	7,494	2	7,496
Related Services to Ministers - ACC	301	45	346
Related Services to Ministers - Employment	1,504	25	1,529
Related Services to Ministers - Immigration	1,376	5	1,381
Related Services to Ministers - Workplace Relations and Safety	800	1	801

Reasons for Change in Appropriation

This appropriation decreased by \$543,000 to \$20.906 million in 2018/19 due to:

- \$174,000 transfer from the Policy Advice - Employment category to assist with the establishment of the new Ministry of Housing and Urban Development, and
- \$458,000 transfer from the Policy Advice - Immigration category to reflect the internal transfer of the Pacific Immigration Co-operation activities within the Ministry of Business, Innovation and Employment.

These decreases are partially offset by an increase of \$89,000 to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy, in the following categories:

- \$45,000 in the Related Services to Ministers - ACC category
- \$25,000 in the Related Services to Ministers - Employment category
- \$7,000 in the Policy Advice - ACC category
- \$5,000 in the Related Services to Ministers - Immigration category
- \$2,000 in the Policy Advice - Employment category
- \$2,000 in the Policy Advice - Immigration category
- \$2,000 in the Policy Advice - Workplace Relations and Safety category, and
- \$1,000 in the Related Services to Ministers - Workplace Relations and Safety category.

