

# *Vote Labour Market*

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APPROPRIATION MINISTER(S): Minister for ACC (M1), Minister of Immigration (M38), Minister for Workplace Relations and Safety (M43), Minister for Social Development and Employment (M63)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Business, Innovation and Employment (A17)

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

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>ACC - Regulatory Services (M1) (A17)</b> 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	-	122
<b>Employment - Administration of the He Poutama Rangatahi Programme (M63) (A17)</b> This appropriation is limited to contract management, fund allocation, monitoring and evaluating of He Poutama Rangatahi outputs and impacts.	-	1,500	1,500
<b>Employment - Employment Sector Analysis and Facilitation (M63) (A17)</b> This appropriation is limited to employment information, facilitation and matching services, and analysis of the functioning of the labour market.	3,051	6,350	9,401
<b>Employment - Regional Skills Leadership Groups (M63) (A17)</b> This appropriation is limited to supporting the operation of Regional Skills Leadership Groups.	-	11,500	11,500
<b>Immigration - Regulation of Immigration Advisers (M38) (A17)</b> 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 prescribed in section 35 of the Immigration Advisers Licensing Act 2007.	4,021	-	4,021
<b>Workplace Relations and Safety - Employment Relations Services (M43) (A17)</b> This appropriation is limited to information, guidance, investigation, enforcement, dispute resolution services and decision-making regarding employment rights and the upholding of regulatory standards including support services provided to employment relations institutions.	38,712	10,193	48,905
<b>Total Departmental Output Expenses</b>	45,906	29,543	75,449
<b>Non-Departmental Output Expenses</b>			
<b>ACC - Case Management and Supporting Services (M1) (A17)</b> 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.	242,205	-	242,205
<b>ACC - Case Management and Supporting Services - Treatment Injuries for Non-Earners (M1) (A17)</b> 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.	19,612	-	19,612
<b>ACC - Public Health Acute Services (M1) (A17)</b> This appropriation is limited to public health acute services in respect of claims on the ACC Non-Earners' Account.	378,185	-	378,185
<b>ACC - Public Health Acute Services - Treatment Injuries for Non-Earners (M1) (A17)</b> This appropriation is limited to fund public health acute services for claims by non-earners on the ACC Treatment Injury Account.	2,329	-	2,329

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>ACC - Rehabilitation Entitlements and Services (M1) (A17)</b> 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.	825,334	<b>10,092</b>	835,426
<b>ACC - Rehabilitation Entitlements and Services - Treatment Injuries for Non-Earners (M1) (A17)</b> 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.	188,243	-	188,243
<b>ACC - Sexual Abuse Assessment and Treatment Services (M1) (A17)</b> 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.	8,167	-	8,167
<b>Workplace Relations and Safety - Health and Safety at Work Levy - Collection Services (M43) (A17)</b> 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
<b>Workplace Relations and Safety - Workplace Health and Safety (M43) (A17)</b> This appropriation is limited to information, education, leadership, guidance, support, and enforcement relating to the health and safety of workers and workplaces.	109,398	<b>10,406</b>	119,804
<b>Total Non-Departmental Output Expenses</b>	1,774,342	20,498	1,794,840
<b>Benefits or Related Expenses</b>			
<b>ACC - Compensation Entitlements (M1) (A17)</b> This appropriation is limited to the provision of income maintenance, independence allowance, and other compensation payments for claims on the ACC Non-Earners' Account.	73,071	-	73,071
<b>ACC - Compensation Entitlements - Treatment Injuries for Non-Earners (M1) (A17)</b> 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.	17,922	-	17,922
<b>Total Benefits or Related Expenses</b>	90,993	-	90,993
<b>Non-Departmental Other Expenses</b>			
<b>Employment - He Poutama Rangatahi (M63) (A17)</b> This appropriation is limited to supporting training and employment programmes for young people in the regions.	13,275	<b>18,787</b>	32,062
<b>Workplace Relations and Safety - Concession Expense for Loans to WorkSafe New Zealand (M43) (A17)</b> This appropriation is limited to the expenses incurred in providing loans on a concessional basis to WorkSafe New Zealand.	-	<b>14,190</b>	14,190
<b>Workplace Relations and Safety - COVID-19 Workplace Response Contestable Fund (M43) (A17)</b> This appropriation is limited to grant funding for stakeholder-led initiatives that support workers and workplaces through the COVID-19 response.	-	<b>2,378</b>	2,378
<b>Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances PLA (M43) (A17)</b> 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.	5,139	(778)	4,361
<b>Workplace Relations and Safety - Equal Employment Opportunities Trust (M43) (A17)</b> 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

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Workplace Relations and Safety - International Labour Organisation (M43) (A17)</b> This appropriation is limited to New Zealand's annual subscription to the International Labour Organisation.	1,855	-	1,855
<b>Workplace Relations and Safety - New Zealand Industrial Relations Foundation (M43) (A17)</b> This appropriation is limited to education to promote better industrial relations.	15	-	15
<b>Workplace Relations and Safety - Remuneration Authority Members' Fees, Salaries and Allowances (M43) (A17)</b> This appropriation is limited to the fees, salaries and allowances of the members of the Remuneration Authority.	300	-	300
<b>Total Non-Departmental Other Expenses</b>	20,980	34,577	55,557
<b>Non-Departmental Capital Expenditure</b>			
<b>Workplace Relations and Safety - Capital for WorkSafe New Zealand (M43) (A17)</b> This appropriation is limited to capital injections and loans to WorkSafe New Zealand to support the delivery of its functions as the health and safety at work regulator.	500	985	1,485
<b>Total Non-Departmental Capital Expenditure</b>	500	985	1,485
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Employment - Māori Apprenticeships Fund MCA (M63) (A17)</b> The single overarching purpose of this appropriation is to improve Māori skills, employment and earnings through apprenticeships.	-	30,000	30,000
<i>Departmental Output Expenses</i>			
<i>Employment - Administration of the Māori Apprenticeships Fund</i> This category is limited to planning, management and allocation of the Māori-Apprenticeships Fund and monitoring and reporting on supported programmes.	-	660	660
<i>Non-Departmental Output Expenses</i>			
<i>Employment - Māori Apprenticeship Programmes</i> This category is limited to expenses incurred in the selection and funding of programmes that support apprenticeships for Māori.	-	29,340	29,340
<b>Immigration Services MCA (M38) (A17)</b> The single overarching purpose of this appropriation is to provide efficient immigration services that generate positive economic and social outcomes for New Zealand and meet New Zealand's obligations to refugee and protected persons.	434,107	23,990	458,097
<i>Departmental Output Expenses</i>			
<i>Assessment and Processing Services</i> This category is limited to the assessment and processing of visa applications.	292,210	15,853	308,063
<i>Integrity and Security of the New Zealand Immigration System</i> This category is limited to services to maintain and enhance the integrity and security of New Zealand's immigration system.	70,205	7,297	77,502
<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.	10,978	-	10,978
<i>Settlement and Integration of Refugees and Other Migrants</i> This category is limited to services that enable the settlement and integration of migrants and refugees into New Zealand, including processing claims for refugee and protected persons status.	60,714	840	61,554

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Policy Advice and Related Services to Ministers MCA (M43) (A17)</b>	22,951	(305)	22,646
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.			
<b>Departmental Output Expenses</b>			
<i>Policy Advice and Related Services to Ministers - Accident Compensation</i>	2,250	-	2,250
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services to support decision-making by Ministers on government policy matters relating to the accident compensation system.			
<i>Policy Advice and Related Services to Ministers - Employment</i>	3,777	320	4,097
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services to support decision-making by Ministers on government policy matters relating to employment.			
<i>Policy Advice and Related Services to Ministers - Immigration</i>	8,579	(900)	7,679
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services to support decision-making by Ministers on government policy matters relating to immigration policy and international immigration commitments.			
<i>Policy Advice and Related Services to Ministers - Workplace Relations and Safety</i>	8,345	275	8,620
This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services 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.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	457,058	53,685	510,743
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	2,389,779	139,288	2,529,067

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2020/21				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	1,820,248	29,543	20,498	50,041	1,870,289
Benefits or Related Expenses	90,993	N/A	-	-	90,993
Borrowing Expenses	-	-	-	-	-
Other Expenses	20,980	-	34,577	34,577	55,557
Capital Expenditure	500	-	985	985	1,485
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	457,058	24,345	29,340	53,685	510,743
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	2,389,779	53,888	85,400	139,288	2,529,067
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	156,273	N/A	-	-	156,273
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	156,273	N/A	-	-	156,273

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Employment - Administration of the He Poutama Rangatahi Programme (M63) (A17)

##### *Scope of Appropriation*

This appropriation is limited to contract management, fund allocation, monitoring and evaluating of He Poutama Rangatahi outputs and impacts.

##### *Expenses and Revenue*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,500	1,500
Revenue from the Crown	-	1,500	1,500
Revenue from Others	-	-	-

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the effective delivery of the He Poutama Rangatahi programme, and appropriate monitoring and evaluation.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
All approved payments are paid within 10 working days	-	New measure	Achieved
Percentage of contracts monitored against their milestones and reporting requirements	-	New measure	100%
Percentage of Expressions of Interest and Applications to the He Poutama Rangatahi Fund have an initial assessment within 30 working days	-	New measure	100%
Percentage of reports to the Education, Employment and Training Ministers Group delivered within agreed timeframes	-	New measure	100%

##### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

##### *Reasons for Change in Appropriation*

This appropriation increased by \$1.500 million for 2020/21 due to a fiscally-neutral adjustment from the Non-Departmental other expense 'Employment - He Poutama Rangatahi' appropriation to provide administration of the He Poutama Rangatahi initiative.

## Employment - Employment Sector Analysis and Facilitation (M63) (A17)

### *Scope of Appropriation*

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

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Labour market information is provided to the Minister's Office within agreed timeframes	100%	Measure amended	-
Labour market information is provided to the Responsible Minister within agreed timeframes	Measure updated	100%	100%

### *Reasons for Change in Appropriation*

This appropriation increased by \$6.350 million to \$9.401 million for 2020/21 due to:

- \$7.250 million from the COVID-19 Response and Recovery Fund (CRRF) for three additional Jobs and Skills hubs, and
- a \$400,000 million fiscally-neutral adjustment from Vote Building and Construction to support the Youth Transition initiative.

These increases are partially offset by a \$1.300 million reduction as this portion of the CRRF relates to Jobs and Skills hubs for Employment Sector was no longer required as not committed.

## Employment - Regional Skills Leadership Groups (M63) (A17)

### *Scope of Appropriation*

This appropriation is limited to supporting the operation of Regional Skills Leadership Groups.

### *Expenses and Revenue*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	11,500	11,500
Revenue from the Crown	-	11,500	11,500
Revenue from Others	-	-	-



### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the establishment of Regional Skills Leadership Groups to improve skills and workforce planning in regional labour markets to improve regional skill levels, local workforce utilisation and overall labour market outcomes.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Each region publishes at least one report within the year that sets out on-the-ground labour market information that is not currently collected systematically by central government	-	New measure	80% of regions publish a report
Members of Regional Skills Leadership Groups are appointed	-	New measure	Decisions on appointments are made by 30 June 2021

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$11.500 million for 2020/21 from the CRRF to facilitate local dialogue to ascertain regional labour market needs and develop Regional Workforce Plans.

## **Workplace Relations and Safety - Employment Relations Services (M43) (A17)**

### *Scope of Appropriation*

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

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Level of public confidence in Employment Services	To be confirmed in 2020/21 Supplementary Estimates	Measure removed	-
The percentage of customers satisfied with overall quality and timeliness of dispute resolution services	-	New measure	At least 80%
Percentage of investigations that involve a regulatory partner	30%	At least 30%	At least 30%

### *Reasons for Change in Appropriation*

This appropriation increased by \$10.193 million to \$48.905 million in 2020/21 due to:

- \$5.594 million from the CRRF to implement regulatory, policy and operational changes to reduce temporary migrant worker exploitation and address the increased vulnerability of migrant workers caused by the COVID-19 pandemic
- \$4.240 million from the CRRF to increase the availability of support and guidance for workers and workplaces following COVID-19
- a \$622,000 fiscally-neutral adjustment from the Non-Departmental other expense 'Workplace Relations and Safety - COVID-19 Workplace Response Contestable Fund' appropriation to address unprecedented demand for the employment dispute resolution services, and
- a \$217,000 expense transfer from 2019/20 to 2020/21 to reflect the delay in the passing of the Equal Pay Amendment Bill.

The increase was partially offset by:

- a \$275,000 fiscally-neutral adjustment to the departmental output expense 'Policy Advice - Workplace Relations and Safety' category of the 'Policy Advice and Related Services to Ministers' appropriation to support the establishment of the Matariki Advisory Group, and
- a \$205,000 expense transfer to 2021/22 to reflect the delay in establishing the appropriate service capability from the \$4.240 million funding (above).

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### ACC - Case Management and Supporting Services (M1) (A17)

##### *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*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Speed of cover decisions	1.75 days	Measure removed	-
Administration costs per active claim	\$2,461	\$2,805	\$2,805
Average time to resolution for claims with reviews	Less than or equal to 91.5 days	Less than or equal to 95 days	Less than or equal to 95 days
Investment performance after costs relative to benchmark	0.30%	0.15%	0.15%
Proportion of ACC reviews upheld (in favour of ACC)	Greater than or equal to 84%	Greater than or equal to 85%	Greater than or equal to 85%
Return on investment for 0 to 20-year injury prevention programmes	-	New measure	\$2.05:\$1
Reviews as a percentage of decline decisions	Less than or equal to 7.1%	Less than or equal to 8.9%	Less than or equal to 8.9%
Speed of cover decisions: complicated claims	-	New measure	Less than 75 days
Speed of cover decisions: non-complicated claims	-	New measure	Less than 1 day
The portfolio of injury prevention investments approved will have an assessed positive return on investment	\$1.85:\$1	Measure removed	-

## ACC - Case Management and Supporting Services - Treatment Injuries for Non-Earners (M1) (A17)

### *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*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Administration costs per active claim	\$2,461	\$2,805	\$2,805
Average time to resolution for claims with reviews	Less than or equal to 91.5 days	Less than or equal to 95 days	Less than or equal to 95 days
Investment performance after costs relative to benchmark	0.30%	0.15%	0.15%
Proportion of ACC reviews upheld (in favour of ACC)	Greater than or equal to 84%	Greater than or equal to 85%	Greater than or equal to 85%
Return on investment for 0 to 20-year injury prevention programmes	-	New measure	\$2.05:\$1
Reviews as a percentage of decline decisions	Less than or equal to 7.1%	Less than or equal to 8.9%	Less than or equal to 8.9%
Speed of cover decisions	1.75 days	Measure removed	-
Speed of cover decisions: complicated claims	-	New measure	Less than 75 days
The portfolio of injury prevention investments approved will have an assessed positive return on investment	\$1.85:\$1	Measure removed	-

## ACC - Rehabilitation Entitlements and Services (M1) (A17)

### *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*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost	Less than or equal to 3.2%	8.4%	8.4%
Client Net Trust Score	+39.0	+26.0	+26.0
Long Term Claim Pool return to independence	3,808	2,000	2,000
Percentage of total expenditure paid directly to clients or for services to clients	87.2%	87.9%	87.9%
Return to independence for those not in the workforce	86.0%	87.5%	87.5%

### *Reasons for Change in Appropriation*

This appropriation increased by \$10.092 million to \$835.426 million for 2020/21 due to a draw-down of contingency funding relating to the Emergency Ambulance Services Multi-Union Collective Agreement.

## ACC - Rehabilitation Entitlements and Services - Treatment Injuries for Non-Earners (M1) (A17)

### 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

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost	Less than or equal to 3.2%	8.4%	8.4%
Client Net Trust Score	+39.0	+26.0	+26.0
Long Term Claim Pool return to independence	3,808	2,000	2,000
Percentage of total expenditure paid directly to clients or for services to clients	87.2%	87.9%	87.9%
Return to independence for those not in the workforce	86.0%	87.5%	87.5%

## Workplace Relations and Safety - Workplace Health and Safety (M43) (A17)

### Scope of Appropriation

This appropriation is limited to information, education, leadership, guidance, support, and enforcement relating to the health and safety of workers and workplaces.

### How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of people (workers and employers) who made at least one change to improve workplace safety and/or reduce risks to workers' health, after interaction with a Health and Safety Inspector	At least 80%	Greater than or equal to 85%	Greater than or equal to 85%

### Reasons for Change in Appropriation

This appropriation increased by \$10.406 million to \$119.804 million for 2020/21 due to:

- \$5.654 million as part of the Government response to Whakaari/White Island for litigation costs and policy reform of the adventure activities regime initiative
- \$3 million draw down of the operating component of WorkSafe's Budget 2019 funding held in contingency for the Work-Related Health programme
- \$1.905 million from the CRRF to support industry health and safety leadership groups to deliver planned activities in priority sectors that directly contribute to health and safe economic recovery, and
- \$292,000 from the CRRF to support WorkSafe New Zealand's operational response to COVID-19.

The increase was partially offset by a \$445,000 adjustment to reflect that the funding to support the Kigali amendment to the Montreal Protocol is funded by third parties through licensing fees, and not by the Crown.

## 3.4 - Non-Departmental Other Expenses

### Employment - He Poutama Rangatahi (M63) (A17)

#### *Scope of Appropriation*

This appropriation is limited to supporting training and employment programmes for young people in the regions.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of programmes run for young people funded through the appropriation	10	Measure removed	-
Number of young people supported onto education, training or employment pathways by programmes funded through the appropriation	-	New measure	2,000

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister for Social Development and Employment in the Vote Labour Market Non-Departmental Appropriations Report.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$18.787 million to \$32.062 million in 2020/21 due to:

- \$17.500 million from the CRRF to support the He Poutama Rangatahi programme in the regions and accelerates its establishment into urban areas that have the greatest volumes of young people not in employment, education or training, and
- \$11.809 million expense transfer from 2019/20 to 2020/21 reflecting the delays in contract payments to applicants as a result of the COVID-19 pandemic.

The increase was partially offset by:

- a \$8.022 million fiscally-neutral adjustment to support the establishment of the Regional Strategic Partnership Fund MCA
- a \$1.500 million fiscally-neutral adjustment to support the establishment of the departmental 'Employment - Administration of the He Poutama Rangatahi Programme' appropriation, and
- \$1 million portion of the CRRF was not expected to be committed and therefore no longer required.

## Workplace Relations and Safety - Concession Expense for Loans to WorkSafe New Zealand (M43) (A17)

### *Scope of Appropriation*

This appropriation is limited to the expenses incurred in providing loans on a concessional basis to WorkSafe New Zealand.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	14,190	14,190

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the delivery of concessional loans to WorkSafe New Zealand for supporting the delivery of its function as the health and safety at work regulator.

### *End of Year Performance Reporting*

An exemption was granted under section 15D(2)(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because any expenses associated with fair value write-down are non-cash and for accounting purposes only.

### *Reasons for Change in Appropriation*

This appropriation increased by \$14.190 million in 2020/21 due to:

- a \$13.402 million adjustment for an interest-free loan to support Modernisation of WorkSafe New Zealand, and
- a \$788,000 expense transfer from 2019/20 to 2020/21 reflecting that the loan to WorkSafe New Zealand will be made in the 2020/21 year and thus no concession expense has been incurred in 2019/20.

## Workplace Relations and Safety - COVID-19 Workplace Response Contestable Fund (M43) (A17)

### *Scope of Appropriation*

This appropriation is limited to grant funding for stakeholder-led initiatives that support workers and workplaces through the COVID-19 response.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,378	2,378

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide increased support and guidance for workers and workplaces following COVID-19.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation for a Non-Departmental other expense is less than \$5 million.

### *Reasons for Change in Appropriation*

This appropriation increased by \$2.378 million in 2020/21 due to new funding of \$3 million from the CRRF to increase the availability of support and guidance for workers and workplaces following COVID-19.

The increase was partially offset by a \$622,000 fiscally-neutral adjustment to the departmental 'Workplace Relations and Safety - Employment Relations Services' appropriation to address unprecedented demand for the employment dispute resolution services.

## Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances PLA (M43) (A17)

### *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 decreased by \$778,000 to \$4.361 million in 2020/21 due to a forecast change to 2021/22 and 2022/23 as a result of delays in legislation relating to the new pay equity regime, which has affected the expenditure profile.



## 3.5 - Non-Departmental Capital Expenditure

### Workplace Relations and Safety - Capital for WorkSafe New Zealand (M43) (A17)

#### *Scope of Appropriation*

This appropriation is limited to capital injections and loans to WorkSafe New Zealand to support the delivery of its functions as the health and safety at work regulator.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$985,000 to \$1.485 million in 2020/21 due to an expense transfer from 2019/20 to 2020/21 to reflect the delays in WorkSafe New Zealand's capacity to support the Kigali amendment to the Montreal protocol which is an international agreement to gradually reduce the consumption and production of hydrofluorocarbons.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Employment - Māori Apprenticeships Fund (M63) (A17)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to improve Māori skills, employment and earnings through apprenticeships.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

###### *Employment - Administration of the Māori Apprenticeships Fund*

This category is limited to planning, management and allocation of the Māori-Apprenticeships Fund and monitoring and reporting on supported programmes.

##### **Non-Departmental Output Expenses**

###### *Employment - Māori Apprenticeship Programmes*

This category is limited to expenses incurred in the selection and funding of programmes that support apprenticeships for Māori.

#### *Expenses, Revenue and Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	-	<b>30,000</b>	<b>30,000</b>
<b>Departmental Output Expenses</b>			
Employment - Administration of the Māori Apprenticeships Fund	-	660	660
<b>Non-Departmental Output Expenses</b>			
Employment - Māori Apprenticeship Programmes	-	29,340	29,340
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	-	<b>660</b>	<b>660</b>
Employment - Administration of the Māori Apprenticeships Fund	-	660	660

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve programmes that sustain and improve Māori skills, employment and earnings and, in turn, improve economic and social outcomes for whānau and Māori communities.

### *How Performance will be Assessed for this Appropriation*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Number of people supported onto trades and training pathways by programmes funded through the appropriation.	-	New measure	Baseline to be established

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Employment - Administration of the Māori Apprenticeships Fund</b>			
This category is intended to achieve the effective and efficient administration of the fund.			
Percentage of Expressions of Interest and Applications to the Apprenticeship fund have an initial assessment within 30 working days	-	New measure	100%
<b>Non-Departmental Output Expenses</b>			
<b>Employment - Māori Apprenticeship Programmes</b>			
This category is intended to achieve the selection and funding of programmes that support Māori through trades and training.			
Number of people supported onto apprenticeship pathways by programmes funded through the appropriation	-	New measure	Baseline established

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$30 million in 2020/21 from the CRRF to provide funding for programmes that support Māori apprenticeships to be sustained through the economic downturn, including through supporting group trades training schemes.

## Immigration Services (M38) (A17)

### Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide efficient immigration services that generate positive economic and social 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 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 services that enable the settlement and integration of migrants and refugees into New Zealand, including processing claims for refugee and protected persons status.

### Expenses, Revenue and Capital Expenditure

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>434,107</b>	<b>23,990</b>	<b>458,097</b>
<b>Departmental Output Expenses</b>			
Assessment and Processing Services	292,210	15,853	308,063
Integrity and Security of the New Zealand Immigration System	70,205	7,297	77,502
Services for the Attraction of Migrants	10,978	-	10,978
Settlement and Integration of Refugees and Other Migrants	60,714	840	61,554
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>159,839</b>	<b>22,763</b>	<b>182,602</b>
Assessment and Processing Services	23,072	14,626	37,698
Integrity and Security of the New Zealand Immigration System	68,412	7,297	75,709
Services for the Attraction of Migrants	8,868	-	8,868
Settlement and Integration of Refugees and Other Migrants	59,487	840	60,327
<b>Revenue from Others</b>	<b>285,282</b>	<b>(182,795)</b>	<b>102,487</b>
Assessment and Processing Services	280,152	(182,795)	97,357
Integrity and Security of the New Zealand Immigration System	1,793	-	1,793
Services for the Attraction of Migrants	2,110	-	2,110
Settlement and Integration of Refugees and Other Migrants	1,227	-	1,227

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Departmental Output Expenses</b>			
<b>Settlement and Integration of Refugees and Other Migrants</b>			
This category is intended to achieve the integration into New Zealand of migrants and refugees who settle permanently in New Zealand.			
Percentage of migrants who are satisfied with the settlement services they have accessed	90%	Measure removed	-
Percentage of recent migrants who feel that New Zealand is their home	-	New measure	85%

*Reasons for Change in Appropriation*

This appropriation increased by \$23.990 million to \$458.097 million for 2020/21 due to:

- \$19 million to implement Immigration New Zealand's (INZ) Future Footprint review
- \$3.740 million from the CRRF to address temporary migrant worker exploitation
- a \$2.500 million adjustment to provide for additional capital charge liability arising from the Liquidity injection
- a \$1.800 million expense transfer from 2019/20 due to delays in the Employer-Assisted Work Visa Policy project as a result of the COVID-19 pandemic
- a \$1.700 million expense transfer from 2019/20 due to delays in the Sector-Based Compliance project as a result of the COVID-19 pandemic
- a \$1.227 million fiscally-neutral adjustment from the Department of Internal Affairs as a contribution to the New Zealand Citizen project
- a \$1 million expense transfer from 2019/20 due to delays in the Wellington Accommodation Consolidation project as a result of the COVID-19 pandemic
- \$900,000 to provide repayable financial assistance to foreign nationals on temporary visas in need of support to return home
- a \$800,000 expense transfer from 2019/20 due to delays in the National Immigration Compliance Prioritisation project as a result of the COVID-19 pandemic
- a \$790,000 expense transfer from 2019/20 due to delays in the Welcoming Communities programme as a result of the COVID-19 pandemic
- a \$600,000 expense transfer from 2019/20 due to delays in the Outbound Advance Passenger Processing and Border Targeting projects as a result of the availability of resources

- a \$473,000 expense transfer from 2019/20 due to delays in the refugee offshore health screening due to border closures in response to COVID-19, and
- a \$300,000 expense transfer from 2019/20 due to delays in the new Maritime Mass Arrivals Prevention function as a result of the COVID-19 pandemic.

These increases are partially offset by:

- a \$5 million expense transfer to 2021/22 to reflect the timing of final approvals and a decision to delay the closure of the INZ Beijing office to mid-2021 relating to the implementation of INZ's Future Footprint review
- a \$3 million expense transfer to 2021/22 to reflect delays in the advanced decision employer-led processing and targeting programme as a result of the COVID-19 pandemic
- a \$1.640 million adjustment to reflect the reduction of the capital charge rate from 6% to 5%, and
- a \$1.200 million fiscally-neutral adjustment for an operating to capital swap for the Finance Management Information System renewal.

### *Memorandum Account*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Immigration Visa</b>			
Opening Balance at 1 July	(126,404)	(733)	(127,137)
Revenue	256,232	(160,199)	96,033
Expenses	(245,318)	(8,402)	(253,720)
Transfers and Adjustments	-	228,543	228,543
Closing Balance at 30 June	(115,490)	59,209	(56,281)

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Electronic Travel Authority</b>			
Opening Balance at 1 July	(11,002)	5,575	(5,427)
Revenue	19,120	(18,280)	840
Expenses	(19,120)	7,520	(11,600)
Transfers and Adjustments	-	13,993	13,993
Closing Balance at 30 June	(11,022)	8,808	(2,194)

In February 2021, the Government agreed that MBIE may receive a capital injection to reduce the accumulated COVID-19 related deficit. The Government has also noted that the reduction of accumulated deficit will be reported as an adjustment to memorandum account balances in the 2020/21 Supplementary Estimates and has been recorded above as an adjustment to both memorandum accounts.

## Policy Advice and Related Services to Ministers (M43) (A17)

### 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 and Related Services to Ministers - Accident Compensation*

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

##### *Policy Advice and Related Services to Ministers - Employment*

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

##### *Policy Advice and Related Services to Ministers - Immigration*

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

##### *Policy Advice and Related Services to Ministers - Workplace Relations and Safety*

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) and services 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.

### Expenses, Revenue and Capital Expenditure

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>22,951</b>	<b>(305)</b>	<b>22,646</b>
<b>Departmental Output Expenses</b>			
Policy Advice and Related Services to Ministers - Accident Compensation	2,250	-	2,250
Policy Advice and Related Services to Ministers - Employment	3,777	320	4,097
Policy Advice and Related Services to Ministers - Immigration	8,579	(900)	7,679
Policy Advice and Related Services to Ministers - Workplace Relations and Safety	8,345	275	8,620
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>22,951</b>	<b>(305)</b>	<b>22,646</b>
Policy Advice and Related Services to Ministers - Accident Compensation	2,250	-	2,250
Policy Advice and Related Services to Ministers - Employment	3,777	320	4,097
Policy Advice and Related Services to Ministers - Immigration	8,579	(900)	7,679
Policy Advice and Related Services to Ministers - Workplace Relations and Safety	8,345	275	8,620

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Departmental Output Expenses</b>			
<b>Policy Advice and Related Services to Ministers - Employment</b>			
This category is intended to achieve the provision of high quality policy advice and support to Ministers.			
The satisfaction of the Minister of Employment with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	Measure amended	-
The satisfaction of the Minister for Social Development and Employment with the policy advice service, as per the common satisfaction survey	Updated measure	Average score of 4 out of 5 or better	Average score of 4 out of 5 or better

*Reasons for Change in Appropriation*

This appropriation decreased by \$305,000 to \$22.646 million for 2020/21 due to:

- a \$1.200 million expense transfer to support the Workplace Relations and Safety Policy branch of MBIE in 2021/22 from the underspend related to the delay to sector agreements relating to Immigration.

This decrease is partially offset by:

- \$320,000 from the CRRF to provide additional resource for the skills and employment policy team to meet increased demand for employment policy advice, which is expected to continue as the government focuses on the COVID-19 pandemic recovery
- a \$300,000 expense transfer due to delays in Sector Agreements implementation as a result of the COVID-19 pandemic, and
- a \$275,000 fiscally-neutral adjustment from the Employment Relations Service appropriation to support the establishment of the Matariki Advisory Group.