

# *Vote Labour Market*

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APPROPRIATION MINISTER(S): Minister for ACC (M1), Minister of Health (M36), 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 Development

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	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 - 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.	3,041	(91)	2,950
<b>Employment - Regional Skills Leadership Groups (M63) (A17)</b> This appropriation is limited to supporting the operation of Regional Skills Leadership Groups.	11,500	153	11,653
<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.	4,016	(8)	4,008
<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.	55,078	2,906	57,984
<b>Total Departmental Output Expenses</b>	73,757	2,960	76,717
<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.	279,899	-	279,899
<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.	22,664	-	22,664
<b>ACC - Establishment of New Income Insurance Scheme (M1) (A17)</b> This appropriation is limited to the Accident Compensation Corporation undertaking pre-implementation planning and design work required for the proposed new income insurance scheme for job loss due to displacement or health conditions and disabilities, and establishing the income insurance scheme.	-	42,150	42,150
<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.	437,041	-	437,041
<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.	2,692	-	2,692

	2022/23		
	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.	983,089	-	983,089
<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.	216,999	-	216,999
<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.	12,708	-	12,708
<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.	140,256	-	140,256
<b>Total Non-Departmental Output Expenses</b>	2,096,217	42,150	2,138,367
<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.	85,442	-	85,442
<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.	20,711	-	20,711
<b>Total Benefits or Related Expenses</b>	106,153	-	106,153
<b>Non-Departmental Other Expenses</b>			
<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.	788	-	788
<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.	6,220	490	6,710
<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
<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

	2022/23		
	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 - 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	30	330
<b>Workplace Relations and Safety - Support for Fair Pay Agreements and Screen Industry occupational bargaining (M43) (A17)</b> This appropriation is limited to the provision of support to peak employer and union bodies and bargaining representatives involved in Fair Pay Agreement and screen industry occupational bargaining.	1,494	-	1,494
<b>Total Non-Departmental Other Expenses</b>	11,068	520	11,588
<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.	14,965	561	15,526
<b>Total Non-Departmental Capital Expenditure</b>	14,965	561	15,526
<b>Multi-Category Expenses and Capital Expenditure</b>			
<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. <i>Departmental Output Expenses</i>	463,734	91,618	555,352
<i>Assessment and Processing Services</i> This category is limited to the assessment and processing of visa applications.	298,726	78,657	377,383
<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.	78,099	3,922	82,021
<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.	7,297	1,748	9,045
<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.	79,612	7,291	86,903
<b>Policy Advice and Related Services to Ministers MCA (M43) (A17)</b> 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>	24,425	5,412	29,837
<i>Policy Advice and Related Services to Ministers - Accident Compensation</i> 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.	2,250	(7)	2,243
<i>Policy Advice and Related Services to Ministers - Employment</i> 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.	3,474	853	4,327

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<i>Policy Advice and Related Services to Ministers - Immigration</i> 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.	8,569	(44)	8,525
<i>Policy Advice and Related Services to Ministers - Income Insurance</i> 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 income insurance.	1,800	1,742	3,542
<i>Policy Advice and Related Services to Ministers - Workplace Relations and Safety</i> 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.	8,332	2,868	11,200
<b>Total Multi-Category Expenses and Capital Expenditure</b>	488,159	97,030	585,189
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	2,790,319	143,221	2,933,540

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Border Support Services (M36) (A17)</b> This appropriation is limited to the provision of border support services to departments and other state sector organisations.  Commences: 01 September 2021  Expires: 30 June 2025	Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation  Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining	18,100 - (4,749) 13,351  2,706 7,645 3,000 -

## Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	2,790,319	143,221	2,933,540
Total Forecast MYA Departmental Output Expenses	11,200	(3,555)	7,645
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	2,801,519	139,666	2,941,185

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2022/23				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	2,181,174	(595)	42,150	41,555	2,222,729
Benefits or Related Expenses	106,153	N/A	-	-	106,153
Borrowing Expenses	-	-	-	-	-
Other Expenses	11,068	-	520	520	11,588
Capital Expenditure	14,965	-	561	561	15,526
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	488,159	97,030	-	97,030	585,189
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	2,801,519	96,435	43,231	139,666	2,941,185
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	161,300	N/A	-	-	161,300
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	161,300	N/A	-	-	161,300

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Border Support Services (M36) (A17)

##### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Border Support Services (M36) (A17)</b> This appropriation is limited to the provision of border support services to departments and other state sector organisations.  Commences: 01 September 2021  Expires: 30 June 2025	Original Appropriation	18,100
	Adjustments to 2021/22	-
	Adjustments for 2022/23	(4,749)
	Adjusted Appropriation	13,351
	Actual to 2021/22 Year End	2,706
	Estimated Actual for 2022/23	7,645
	Estimate for 2023/24	3,000
	Estimated Appropriation Remaining	-

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

This appropriation decreased by \$4.749 million to \$13.351 million in 2022/23 due to:

- a fiscally neutral adjustment of \$3.500 million to swap operating to capital after a technical review considering the operating expense vs capital expense treatment of the remaining delivery of the New Zealand Traveller Declaration system
- a technical adjustment of \$833,000 to transfer the Ministry of Business, Innovation and Employment's (MBIE) contribution to for the Border Executive Board to Vote Customs, and
- a fiscally neutral adjustment of \$416,000 to transfer MBIE's contribution for the Border Executive Board to Vote Customs.

#### 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.

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

This appropriation decreased by \$91,000 to \$2.950 million for 2022/23 due to:

- a reprioritisation of \$1.500 million being identified as savings and therefore released back to Crown, and
- a technical adjustment of \$12,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

This decrease was partially offset by an in-principle expense transfer of \$1.421 million from 2021/22 as a result of operational disruptions, that caused the Sector Workforce Engagement Programme to be delayed and unable to be completed within expected pre-COVID-19 timeframes.

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

#### *Scope of Appropriation*

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

#### *Reasons for Change in Appropriation*

This appropriation increased by \$153,000 to \$11.653 million for 2022/23 due to an in-principle expense transfer of \$195,000 from 2021/22 resulting from the need to align funding with the Regional Skills Leadership Groups work programme which was delayed due to COVID-19 restrictions into 2022/23.

This increase was partially offset by a technical adjustment of \$42,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).

### Immigration - Regulation of Immigration Advisers (M38) (A17)

#### *Scope of Appropriation*

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.

#### *Expenses and Revenue*

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,016	(8)	4,008
Revenue from the Crown	3,081	(8)	3,073
Revenue from Others	935	-	935

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$8,000 to \$4.008 million for 2022/23 due to a technical adjustment in relation to changes in the accounting treatment of Software as a Service (SaaS).



## 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.

### *Reasons for Change in Appropriation*

This appropriation is increased by \$2.906 million to \$57.984 million for 2022/23 due to:

- an in-principle expense transfer of \$1.300 million from 2021/22 to 2022/23 for the work programme due to Fair Pay Agreements legislation being delayed and thus delaying the work programme in 2021/22
- \$1 million to resource the Te Mahere Whai Mahi Māori (Māori Employment Action Plan), and
- an in-principle expense transfer of \$850,000 to redevelop and enhance the Employment New Zealand website and webforms as well as parts of Migrant Exploitation Information and Education programme, works of which were delayed or put on hold due to COVID-19 related impacts in 2021/22.

This increase was partially offset by:

- a technical adjustment of \$214,000 in relation to changes in the accounting treatment of Software as a Service (SaaS), and
- a \$30,000 fiscally neutral adjustment to the Workplace Relations and Safety - Remuneration Authority Members' Fees, Salaries and Allowances appropriation, for increases in Remuneration Authority members' salaries.

## 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*

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Administration costs per active claim (see Note 1)	\$2,603	(34)	\$2,569
Average time to resolution for claims with reviews (see Note 2)	Less than or equal to 125 days	5 days	Less than or equal to 130 days
Investment management costs as a proportion of total funds under management (see Note 3)	0.15%	0.02%	0.17%
Reviews as a percentage of decline decisions (see Note 4)	Less than or equal to 8.7%	(0.2%)	Less than or equal to 8.5%
Speed of cover decisions: complicated claims (see Note 5)	Less than 65 days	5 days	Less than 70 days

Note 1 - The budget standard was changed for 2022/23 from \$2,603 to \$2,569. The budget standard was changed from \$2,603 from 2022/23 to \$2,435 for 2023/24 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 2 - The budget standard was changed for 2022/23 from 'Less than or equal to 125 days' to 'Less than or equal to 130 days'. The budget standard was changed from 'Less than or equal to 130 days' from 2022/23 to 'Less than or equal to 125 days' for 2023/24 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 3 - The budget standard was changed for 2022/23 and out-years from 0.15% to 0.17% as per the Service Agreement with Accident Compensation Corporation. The change reflects the PBE FRS 48 principle of verifiability.

Note 4 - The budget standard was changed for 2022/23 and out-years from 'Less than or equal to 8.7%' to 'Less than or equal to 8.5%' as per the Service Agreement with Accident Compensation Corporation. The change reflects the PBE FRS 48 principle of verifiability.

Note 5 - The budget standard was changed for 2022/23 and out-years from 'Less than 65 days' to 'Less than 70 days' as per the Service Agreement with Accident Compensation Corporation. The change reflects the PBE FRS 48 principle of verifiability.

## 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	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Administration costs per active claim (see Note 1)	\$2,603	(\$34)	\$2,569
Average time to resolution for claims with reviews (see Note 2)	Less than or equal to 125 days	5 days	Less than or equal to 130 days
Investment management costs as a proportion of total funds under management (see Note 3)	0.15%	0.02%	0.17%
Reviews as a percentage of decline decisions (see Note 4)	Less than or equal to 8.7%	(0.2%)	Less than or equal to 8.5%
Speed of cover decisions: complicated claims (see Note 5)	Less than 65 days	5 days	Less than 70 days

Note 1 - The budget standard was changed for 2022/23 from \$2,603 to \$2,569 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 2 - The budget standard was changed for 2022/23 from 'Less than or equal to 125 days' to 'Less than or equal to 130 days', as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 3 - The budget standard was changed for 2022/23 and out-years from 0.15% to 0.17% as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 4 - The budget standard was changed for 2022/23 and out-years from 8.7% to 8.5% as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 5 - The budget standard was changed for 2022/23 and out-years from 'Less than 65 days' to 'Less than 70 days' as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

## ACC - Establishment of New Income Insurance Scheme (M1) (A17)

### *Scope of Appropriation*

This appropriation is limited to the Accident Compensation Corporation undertaking pre-implementation planning and design work required for the proposed new income insurance scheme for job loss due to displacement or health conditions and disabilities, and establishing the income insurance scheme.

### *Expenses*

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	42,150	42,150

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

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Financial and operational information is provided to the Ministry of Business, Innovation and Employment to inform Budget decisions and enable Cabinet consideration by 30 June on whether to implement an income insurance scheme in New Zealand and its design (see Note 1)	-	Achieved	Achieved

Note 1 - This new performance indicator was selected for 2022/23 and out-years as it reflects the PBE FRS 48 principles of relevancy, timeliness and faithful representation. It also reflects the Government's decision to hold further investigation into implementing the scheme.

### *End of Year Performance Reporting*

This performance information will be reported by the Accident Compensation Corporation in its annual report.

### *Reasons for Change in Appropriation*

This new appropriation was established during 2022/23 for \$45.400 million to introduce a New Zealand income insurance scheme.

This increase was partially offset by fiscally neutral adjustment of \$3.250 million transfer to Vote Revenue and Vote Social Development and Employment to support the development of a New Zealand income insurance scheme policy and undertake detailed design activities as well as to undertake policy work, detailed system design and legislative and process changes.

## 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	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost (see Note 1)	Less than or equal to 5.0%	7.0%	Less than or equal to 12.0%
Client Net Trust Score (see Note 2)	+33.0	(5)	+28.0
Long Term Claim Pool return to independence (see Note 3)	5,800	(700)	5,100
Percentage of total expenditure paid directly to clients or for services to clients (see Note 4)	89.1%	0.3%	89.4%
Return to independence for those not in the workforce (see Note 5)	88.5%	(1.0%)	87.5%

Note 1 - The budget standard was changed from 'Less than or equal to 5.0%' to 'Less than or equal to 12.0%' as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 2 - The budget standard was changed for 2022/23 from +33.0 to +28.0 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 3 - The budget standard was changed for 2022/23 from 5,800 to 5,100 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 4 - The budget standard was changed for 2022/23 from 89.1% to 89.4% as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 5 - The budget standard was changed for 2022/23 from 88.5% to 87.5% as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

## 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	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Change in average treatment cost (see Note 1)	Less than or equal to 5.0%	7.0%	Less than or equal to 12.0%
Client Net Trust Score (see Note 2)	+33.0	(5)	+28.0
Long Term Claim Pool return to independence (see Note 3)	5,800	(700)	5,100
Percentage of total expenditure paid directly to clients or for services to clients (see Note 4)	89.1%	0.3%	89.4%
Return to independence for those not in the workforce (see Note 5)	88.5%	(1.0%)	87.5%

Note 1 - The budget standard was changed from 'Less than or equal to 5.0%' to 'Less than or equal to 12%' for 2022/23 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 2 - The budget standard was changed from +33.0 to +28.0 for 2022/23 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 3 - The budget standard was changed from 5,800 to 5,100 for 2022/23 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 4 - The budget standard was changed from 89.1% to 89.4% for 2022/23 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

Note 5 - The budget standard was changed from 88.5% to 87.5% for 2022/23 as per the Service Agreement with Accident Compensation Corporation. These changes reflect the PBE FRS 48 principle of verifiability.

## **Workplace Relations and Safety - Health and Safety at Work Levy - Collection Services (M43) (A17)**

### *Scope of Appropriation*

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.

### *End of Year Performance Reporting*

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the category is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of this annual appropriation for a Non-Departmental output expense is less than \$5 million.

## 3.2 - Non-Departmental Benefits or Related Expenses

### ACC - Compensation Entitlements (M1) (A17)

#### *Scope of Appropriation*

This appropriation is limited to the provision of income maintenance, independence allowance, and other compensation payments for claims on the ACC Non-Earners' Account.

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

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and performance information is not likely to be informative because this appropriation is solely for income maintenance, independence allowance, and other compensation payments for claims on the Non-Earners' Account.

### ACC - Compensation Entitlements - Treatment Injuries for Non-Earners (M1) (A17)

#### *Scope of Appropriation*

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.

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

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and performance information is not likely to be informative because this appropriation is solely for income maintenance, independence allowance, and other compensation payments for claims on the Treatment Injury Account.



## 3.4 - Non-Departmental Other Expenses

### 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.

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

An exemption was granted under section 15D(2)(b)(ii) of the Public Finance Act 1989 as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and performance information is not likely to be informative because any expenses associated with fair value write-down are non-cash and for accounting purposes only. Performance information relating to WorkSafe New Zealand's operations is provided under the Workplace Relations and Safety - Workplace Health and Safety appropriation.

### 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.

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

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and performance information is not likely to be informative because this appropriation is solely for payments of salaries and allowances under section 171 of the Employment Relations Act 2000. Performance information relating to the administration of payment is provided under the Employment Relations Services appropriation.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$490,000 to \$6.710 million for 2022/23 due to a forecast adjustment for the purpose of increase in cost of remuneration for the Chief of the Employment Relations Authority and its members in 2022/23 and out-years.

## **Workplace Relations and Safety - Equal Employment Opportunities Trust (M43) (A17)**

### *Scope of Appropriation*

This appropriation is limited to the promotion of Equal Employment Opportunities as a good management practice, delivered in partnership with the private sector.

### *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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of this annual appropriation for a Non-Departmental other expense is less than \$5 million.

## **Workplace Relations and Safety - International Labour Organisation (M43) (A17)**

### *Scope of Appropriation*

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

### *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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of this annual appropriation for a Non-Departmental other expense is less than \$5 million.

## **Workplace Relations and Safety - New Zealand Industrial Relations Foundation (M43) (A17)**

### *Scope of Appropriation*

This appropriation is limited to education to promote better industrial relations.

### *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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of this annual appropriation for a Non-Departmental other expense is less than \$5 million.

## **Workplace Relations and Safety - Remuneration Authority Members' Fees, Salaries and Allowances (M43) (A17)**

### *Scope of Appropriation*

This appropriation is limited to the fees, salaries and allowances of the members of the Remuneration Authority.

### *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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and 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 \$30,000 to \$330,000 for 2022/23 due to a fiscally neutral adjustment to fund the cost of increases for Remuneration Authority members remuneration and allowances for 2022/23 financial year.

## **Workplace Relations and Safety - Support for Fair Pay Agreements and Screen Industry occupational bargaining (M43) (A17)**

### *Scope of Appropriation*

This appropriation is limited to the provision of support to peak employer and union bodies and bargaining representatives involved in Fair Pay Agreement and screen industry occupational bargaining.

### *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 appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

## 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.

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

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Any major capital project proposals are developed in accordance with published Treasury business case guidelines (see Note 1)	Exempt	Achieved	Achieved

Note 1 - This is a new performance indicator for 2022/23 and out-years and was selected to meet the PBE FRS 48 principle of verifiability.

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by WorkSafe New Zealand in its annual report.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$561,000 to \$15.526 million for 2022/23 due to a Joint Ministers decision to draw down capital contingency for State Sector Decarbonisation project.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### 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*

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>463,734</b>	<b>91,618</b>	<b>555,352</b>
<b>Departmental Output Expenses</b>			
Assessment and Processing Services	298,726	78,657	377,383
Integrity and Security of the New Zealand Immigration System	78,099	3,922	82,021
Services for the Attraction of Migrants	7,297	1,748	9,045
Settlement and Integration of Refugees and Other Migrants	79,612	7,291	86,903

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>249,536</b>	<b>31,074</b>	<b>280,610</b>
Assessment and Processing Services	87,344	20,333	107,677
Integrity and Security of the New Zealand Immigration System	76,610	3,922	80,532
Services for the Attraction of Migrants	7,197	(52)	7,145
Settlement and Integration of Refugees and Other Migrants	78,385	6,871	85,256
<b>Revenue from Others</b>	<b>222,112</b>	<b>72,794</b>	<b>294,906</b>
Assessment and Processing Services	219,296	70,574	289,870
Integrity and Security of the New Zealand Immigration System	1,489	-	1,489
Services for the Attraction of Migrants	100	1,800	1,900
Settlement and Integration of Refugees and Other Migrants	1,227	420	1,647

### *Reasons for Change in Appropriation*

This appropriation increased by \$91.618 million to \$555.352 million for 2022/23 due to:

- a fiscally neutral adjustment of \$76.700 million (funded by increased third party revenue) to address the surge of visa application volumes following the reopening of the New Zealand border
- an expense transfer of \$3.835 million to continue to resettle Afghan nationals who were evacuated from Afghanistan. Due to ongoing arrivals of Afghan nationals, and delays in finding permanent housing because of availability, the timing of expenditure on resettlement was delayed
- an expense transfer of \$2.130 million to continue to expand Welcoming Communities programme to fund new councils joining the programme in 2022/23. Due to COVID-19 impact causing delays over the past couple of years, the programme did not meet the original Cabinet approved target number of councils that were expected to join between May 2020 and July 2022
- an expense transfer of \$2 million to the Immigration New Zealand Future Footprint Project that experienced delays in delivering expansion of the offshore Risk and Verification network because of the COVID-19 situation on the ground in different offshore sites. This resulted in sites having to close and Immigration New Zealand Risk and Verification Managers being unable to return, delaying the ability to expand
- an expense transfer of \$2 million for Airline Liaison Officers to increase assurance over pre-departure COVID-19 testing at various overseas airports. Due to changes to the initially planned dates for reopening New Zealand's borders, the deployment of Airline Liaison Officers started later than expected. The deployment of Airline Liaison Officer also has a wider scope than originally planned, officers now being deployed to several overseas airports rather than not just Australia
- a fiscally neutral adjustment of \$1.800 million from the Ministry of Foreign Affairs and Trade to cover ongoing expenditure as the recognised Seasonal Employer Strengthening Pacific Partnership memorandum of understanding was extended to 30 June 2023
- an expense transfer of \$1.100 million to cover the costs of delayed deportations due to a combination of vaccine requirements, receiving country COVID-19 restrictions, airline requirements and reduced flight paths as well as constraints around attaining appropriate escorts for high-risk offenders that delayed the process in 2021/22

- an expense transfer of \$885,000 for Language Assistance Programme that supports interpreters to become accredited through National Accreditation Authority for Translators and Interpreters Ltd. COVID-19 restrictions affected the number of people who were able to participate in the competence modules and testing in 2021/22 who will now complete the modules and testing in 2022/23
- an expense transfer of \$840,000 for an initiative to reduce temporary migrant exploitation that had been delayed due to the ongoing COVID-19 related disruptions, and the prioritisation of work done to open the border
- a fiscally neutral adjustment of \$550,000 to cover the immigration visa charges for official participants of FIFA Women's World Cup coming into the country, as a decision was made to waive these charges for the official participants
- an expense transfer of \$500,000 for the Immigration Sector-Based Compliance project, that experienced delays to the implementation of the function due to COVID-19. The staff needed to support the project were either reprioritised to Immigration New Zealand functions supporting sectors generally or supporting sectors to understand changes to the immigration system as a result of border closures and exceptions due to COVID-19
- an expense transfer of \$420,000 to the Prevention of Mass Arrivals function that was delayed due to COVID-19 restrictions affecting travel and progressing offshore deployments, when suitable health and safety measures have had to be put in place before decisions could be made to deploy officers
- a fiscally neutral adjustment of \$420,000 to address the increased recoveries revenue from Ministry of Social Development for accommodation and boarding payments due to increased refugee quota numbers
- an expense transfer of \$289,000 to continue to provide repatriation assistance for individuals, due to Joint Ministers approval to carry forward a portion of unspent funds from 2021/22 to allow the fund to continue to December 2022
- an expense transfer of \$160,000 to cover the costs of international travel for refugees settled in New Zealand under Community Organisation Refugee Sponsorship programme. COVID-19 impacted the implementation of policy changes and a number of people expected to arrive in 2021/22 will now be arriving in 2022/23 instead, and
- a Cabinet decision of \$124,000 to be used for expanding access to the Victims of Family Violence Work Visa.

This increase was partially offset by a technical adjustment of \$2.135 million in relation to changes in the accounting treatment of Software as a Service (SaaS).

### *Memorandum Account*

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Immigration Visa</b>			
Opening Balance at 1 July	(145,195)	(37,628)	(182,823)
Revenue	128,530	161,634	290,164
Expenses	(255,328)	(3,218)	(258,546)
Transfers and Adjustments	-	129,271	129,271
Closing Balance at 30 June	(271,993)	250,059	(21,934)

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Electronic Travel Authority</b>			
Opening Balance at 1 July	(19,640)	7,147	(12,493)
Revenue	5,470	16,662	22,132
Expenses	(21,554)	3,200	(18,354)
Transfers and Adjustments	-	8,834	8,834
Closing Balance at 30 June	(35,724)	35,843	119

## 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 - Income Insurance*

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 income insurance.

##### *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*

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>24,425</b>	<b>5,412</b>	<b>29,837</b>
<b>Departmental Output Expenses</b>			
Policy Advice and Related Services to Ministers - Accident Compensation	2,250	(7)	2,243
Policy Advice and Related Services to Ministers - Employment	3,474	853	4,327
Policy Advice and Related Services to Ministers - Immigration	8,569	(44)	8,525
Policy Advice and Related Services to Ministers - Income Insurance	1,800	1,742	3,542
Policy Advice and Related Services to Ministers - Workplace Relations and Safety	8,332	2,868	11,200
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>24,425</b>	<b>5,412</b>	<b>29,837</b>
Policy Advice and Related Services to Ministers - Accident Compensation	2,250	(7)	2,243
Policy Advice and Related Services to Ministers - Employment	3,474	853	4,327
Policy Advice and Related Services to Ministers - Immigration	8,569	(44)	8,525
Policy Advice and Related Services to Ministers - Income Insurance	1,800	1,742	3,542
Policy Advice and Related Services to Ministers - Workplace Relations and Safety	8,332	2,868	11,200

*How Performance will be Assessed for this Appropriation*

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Policy Advice and Related Services to Ministers - Income Insurance</b>			
This category is intended to achieve the provision of high quality policy advice and support to Ministers.			
Policy advice is provided to inform Budget decisions and enable Cabinet consideration by 30 June 2022 on whether to implement an income insurance scheme in New Zealand and its design	Achieved	-	-
Policy advice is provided to inform Budget decisions and enable Cabinet consideration by 30 June on whether to implement an income insurance scheme in New Zealand and its design (see Note 1)	-	Achieved	Achieved

Note 1 - This is a new performance indicator for 2022/23 and out-years and was selected to meet the PBE FRS 48 principle of faithful representation.

### *Reasons for Change in Appropriation*

This appropriation increased by \$5.412 million to \$29.837 million for 2022/23 due to:

- a Cabinet decision to fund \$1.750 million towards the policy and legislative work for an income insurance scheme and Accident Compensation Corporation preparatory work
- a Cabinet decision to fund \$1.700 million towards longer-term approach to sustainable funding for Policy Advice and Related Services to Ministers for Workplace Relations and Safety
- a Cabinet decision to fund \$1.200 million from the Workplace Relations & Safety - Employment Relation Services appropriation 2021/22 underspends to assist with the Policy Advice and Related Services to Ministers for Workplace Relations and Safety
- an in-principle expense transfer of \$866,000 to enable further work to improve MBIE's labour market insights as well as progress work on In-Work Training, which is a priority for the Future of Work Forum. The work was unable to be completed in 2021/22 because of resourcing for the potential New Zealand Income Insurance Scheme that had been prioritised and an inability to find short-term replacement cover.

This increase was partially offset by a technical adjustment of \$104,000 in relation to changes in the accounting treatment of Software as a Service (SaaS).