

# *Information Supporting the Supplementary Estimates*

## *Vote Labour*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Labour (M43)

ADMINISTERING DEPARTMENT: Department of Labour

MINISTER RESPONSIBLE FOR DEPARTMENT OF LABOUR: Minister of Labour

## Part 1 - Summary of the Vote

### Part 1.3 - Trends in the Vote

#### Summary of Financial Activity

	2008/09				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	83,330	340	207	547	83,877
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	5,453	-	(151)	(151)	5,302
Capital Expenditure	24,739	(7,135)	-	(7,135)	17,604
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
<b>Total Appropriations</b>	<b>113,522</b>	<b>(6,795)</b>	<b>56</b>	<b>(6,739)</b>	<b>106,783</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	38,380	N/A	2,485	2,485	40,865
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>38,380</b>	<b>N/A</b>	<b>2,485</b>	<b>2,485</b>	<b>40,865</b>

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### International Services (M43)

##### *Scope of Appropriation*

Managing the Department's multilateral, bilateral, and regional engagement and influence on labour and related employment issues, including the Government's obligations and interests through the International Labour Organisation, and the Government's trade agenda as it relates to the labour portfolio.

##### *Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	957	1	958
Revenue from Crown	947	(1)	946
Revenue from Other	10	2	12

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

The increase is due to the fiscally neutral realignment of costs to the Department's cost allocation model (\$27,000), a fiscally neutral transfer from the Ministry of Foreign Affairs and Trade from the Growth and Innovation Framework funding for Free Trade Agreement/Closer Economic Partnership Negotiations for inter-departmental travel (\$51,000), a forecast change for the State Sector Retirement Scheme (\$2,000). This is partly offset by expenditure transfers to 2009/10 for the APEC Project (\$75,000) and ICT Infrastructure Programme (\$4,000).

**Policy Advice - Labour (M43)***Scope of Appropriation*

Provides policy advice and facilitation of policy implementation through developing and delivering tools and resources, research and evaluation about the labour market and workplace practices and includes ministerial servicing and administrative and advisory support to NACEW, NOHSAC and the PEE Steering Group and ERE Advisory Committee.

*Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,267	505	12,772
Revenue from Crown	12,213	430	12,643
Revenue from Other	54	75	129

*Reasons for Change in Appropriation*

The increase is due to the provision of funding for the Skills Strategy Programme Office (\$1.140 million), forecast changes relating to KiwiSaver employer expenses and subsidies (\$10,000) and the State Sector Retirement Scheme (\$65,000). This is partially offset by a decrease in funding arising from the fiscally neutral realignment of costs to the Department's cost allocation model (\$501,000), expenditure transfers to 2009/10 that mainly relate to the ICT Infrastructure Programme (\$34,000) and a fiscally neutral transfer to Vote ACC Policy and Monitoring for the cost of the stock-take of each of the ACC accounts (\$175,000).

**Services to Promote and Support Fair and Productive Employment Relationships (M43)***Scope of Appropriation*

Provision of information, guidance, investigation, mediation and decision making regarding employment rights and upholding minimum standards including support services provided to employment relations institutions.

*Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	26,739	(2,110)	24,629
Revenue from Crown	26,385	(2,195)	24,190
Revenue from Other	354	85	439

### *Reasons for Change in Appropriation*

The decrease is due to the fiscally neutral realignment of costs to the Department's cost allocation model (\$1.851 million), an expenditure transfer from 2007/08 relating to the Employment Relations Education Contestable Fund (\$242,000) and expenditure transfers to 2009/10 which mainly relate to the ICT Infrastructure Programme (\$102,000). Those decreases are partially offset by an increase in funding for forecast changes relating to the KiwiSaver employer expenses and subsidies (\$19,000) and the State Sector Retirement Scheme (\$66,000).

### **Services to Promote and Support Safe and Healthy People and Workplaces (M43)**

#### *Scope of Appropriation*

Provision of information, education and support for workplaces regarding effective workplace health and safety practice, and enforcement action to promote compliance with the HSE Act.

#### *Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	34,749	1,391	36,140
Revenue from Crown	33,825	1,333	35,158
Revenue from Other	924	58	982

### *Reasons for Change in Appropriation*

The increase is due to an expenditure transfer from 2007/08 to 2008/09 relating to health and safety (\$300,000), a fiscally neutral realignment of costs in the Department's cost allocation model (\$1.185 million) and forecast changes relating to KiwiSaver employer expenses and subsidies (\$28,000) and the State Sector Retirement Scheme (\$60,000). This is partially offset by a decrease in funding for energy safety funding (\$30,000) and expenditure transfers to 2009/10 which mainly relate to the ICT Infrastructure Programme (\$152,000).

## Services to Promote and Support the Safe Management of Hazardous Substances in the Workplace and Amusement Devices (M43)

### *Scope of Appropriation*

Provision of information, education, and enforcement services relating to the safe management of hazardous substances in the workplace, and the registration and inspection of amusement devices.

### *Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,582	553	5,135
Revenue from Crown	4,566	540	5,106
Revenue from Other	16	13	29

### *Reasons for Change in Appropriation*

The increase is due to the fiscally neutral realignment of costs to the Department's cost allocation model (\$552,000), forecast changes relating to KiwiSaver employer expenses and subsidies (\$2,000) and the State Sector Retirement Scheme (\$11,000), partly offset by expenditure transfers to 2009/10 that mainly relate to the ICT Infrastructure Programme (\$12,000).

## Part 2.2 - Non-Departmental Output Expenses

### Employment Relations Education Contestable Fund (M43)

### *Scope of Appropriation*

Grant funding for programmes that promote improved employment relationships and good faith behaviour, and good health and safety practices amongst employers, unions and employees.

### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,278	151	2,429

### *Reasons for Change in Appropriation*

A fiscally neutral transfer from Non-Departmental Other Expenses International Labour Organisation (\$151,000).

## Pay and Employment Equity Contestable Fund (M43)

### *Scope of Appropriation*

Funding of applications received from employer or union organisations that are directly involved (or represent collections of organisations that are involved) in pay and employment equity reviews or negotiations within or across the public sector.

### *Expenses*

	2008/09		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	889	56	945

### *Reasons for Change in Appropriation*

An expenditure transfer from 2007/08 to 2008/09 for outstanding 2007/08 contractual commitments on the Fund.

## Part 5 - Details and Expected Results for Other Expenses

### Part 5.2 - Non-Departmental Other Expenses

#### International Labour Organisation (M43)

##### *Scope of Appropriation*

New Zealand's annual subscription to the ILO.
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##### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,400	(151)	1,249

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

A fiscally neutral transfer to the Non-Departmental Output Expense Employment Relations Education Contestable Fund.

## Part 6 - Details and Expected Results for Capital Expenditure

### Part 6.1 - Departmental Capital Expenditure

#### Department of Labour - Capital Expenditure PLA (M43)

##### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Department of Labour, as authorised by section 24(1) of the Public Finance Act 1989.

##### *Capital Expenditure*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	16,017	(2,988)	13,029
Intangibles	8,722	(4,147)	4,575
Other	-	-	-
<b>Total Appropriation</b>	<b>24,739</b>	<b>(7,135)</b>	<b>17,604</b>

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

The decrease is mainly due to two capital expenditure transfers to 2009/10, one for the ICT Infrastructure Programme: Property, Plant and Equipment (\$2.988 million) and Intangibles (\$1.281 million) and one for the Immigration Act Review (Intangibles \$2.866 million).