

VOTE *Statistics*

Statistics

Overview

Appropriations sought for Vote Statistics in 2001/02 total \$63.522 million. This is intended to be spent as follows:

- \$1.002 million (1.6% of the Vote) on co-ordinating government statistical activities.
- \$37.457 million (59.0% of the Vote) on purchasing population, social and labour force statistics.
- \$23.763 million (37.4% of the Vote) on purchasing economic and business statistics.
- \$1.300 million (2.0% of the Vote) on capital contributions.

Details of how the appropriations are to be spent appear in Parts B1, C and E of this Vote.

Vote Statistics does not contain any Crown revenue or Crown expenditure.

Statistics

VOTE MINISTER: Minister of Statistics

ADMINISTERING DEPARTMENT: Statistics New Zealand

The Minister of Statistics is the Responsible Minister for Statistics New Zealand

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote Statistics

The appropriations sought for Vote Statistics will fund activities that will inform the Government and the community about the nature of the society we live in, the state of the economy, and our position in the world.

More specifically, the outputs funded by appropriations will:

- enhance planning and decision-making by both the Government and business
- facilitate electoral and political processes, and promote both the public accountability of central and local government and the effective discussion and debate of public issues
- promote the efficient operation of information, financial and other markets
- meet the information needs of international organisations and businesses, and of other nations that compare their position to that of New Zealand.

The Minister of Statistics will purchase outputs in Vote Statistics that will contribute to the key Government goals by:

- providing authoritative official statistics, independent of government influence, that measure progress towards those objectives
- informing effective public policy formulation, programme implementation, policy presentation and programme evaluation
- providing information on the nature of New Zealand society and on New Zealand's position in the world, which determines the context of the public programmes directed at the overarching goals and strategic priorities.

Links between Output Classes and the Government's Outcomes

The links between the Department's three output classes and the Government's outcomes are as follows:

Output Class	Related Outcomes
Coordination of Government Statistical Activities	Contributes to the Government's <i>Restore Trust in Government and Provide Strong Social Services</i> goal by ensuring that all government statistical activities are co-ordinated to minimise respondent burden, avoid duplication of effort, and permit the linking of statistics from a variety of data sources. This contributes to stronger downward pressure on costs by reducing compliance costs.

Output Class	Related Outcomes
Population, Social and Labour Force Statistical Information Services	<p>Contributes to the Government's <i>Social Equity and Improve New Zealanders' Skills</i> goals by the ad hoc programme of social surveys, by the five-yearly Census of Population and Dwellings, by producing population estimates that are used as the denominator in population ratios, and by investigating methods to increase the use of administrative data for statistical purposes.</p> <p>Contributes to the Government's <i>Grow an Inclusive, Innovative Economy for the Benefit of All</i> goal through:</p> <ul style="list-style-type: none"> • the three-yearly Household Economic Survey, which is a key data source for measuring income distribution and household expenditure. Other sources of income data include an annual income survey, tax-based data, and the Census of Population. • the projection of the population, its characteristics, and its distribution, which provides a reliable basis for developing a sustainable long-term social policy • the five-yearly Census of Population and Dwellings, which is a major source of information on the population and its socio-economic characteristics • the programme of social reporting, which provides in-depth analysis of the circumstances of major subgroups of the population. <p>Contributes to the Government's <i>Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi</i> goal through the publication of outputs that describe Maori social and economic outcomes, and through the availability and further development of systems to ensure that Maori have access to statistics.</p>
Economic and Business Statistical Information Services	<p>Contributes to the Government's <i>Grow an Inclusive, Innovative Economy for the Benefit of All</i> goal of a strongly growing, internationally competitive enterprise economy by:</p> <ul style="list-style-type: none"> • producing a wide range of statistics that provides information necessary to facilitate and monitor economic activity and growth, employment, and price stability • providing statistics on small business, research and development, capital investment and productivity • measuring New Zealand's transactions with the rest of the world • providing international comparisons. <p>Other business and economic statistics enable markets to be well informed.</p>

Part A2 - Trends in Vote Statistics

The time series of departmental flows for Vote Statistics reflects the fluctuations in the level of outputs purchased by the Crown.

Output Trends 1996/97 to 2001/02

Appropriation trends for departmental output classes can be characterised by three major activities:

Cycles of statistical activity that impact on appropriations, the most visible being the Census of Population and Dwellings

The 2001 Census of Population and Dwellings resulted in a large increase in funding in the 2000/01 year of \$24.103 million. In the 2001/02 year census funding decreases by \$22.092 million as the level of activity associated with running the census falls.

Although the census causes major fluctuations in funding in the year the census is held and the following year, most other statistical activity has monthly, quarterly or annual cycles that do not cause significant changes to appropriations from one year to the next. The exceptions that do impact on the Vote, but to a much lesser extent than the population census, are the six-yearly cycle of the revision to the Consumers Price Index and the three-yearly cycle of the Household Economic Survey. Historically the seven-yearly cycle of the Inter-industry Study has also contributed to these fluctuations to the baseline, but expenditure on this output has now been smoothed evenly over the cycle.

	1996/97 \$000	1997/98 \$000	1998/99 \$000	1999/00 \$000	2000/01 \$000	2001/02 \$000
Funding for the five-yearly Census of Population and Dwellings	7,127	1,877	3,278	3,789	27,892	5,800

Changes for one-off contracted statistics that are funded via third parties

The level of appropriation for this activity has fluctuated between \$1.518 million in 1996/97 and \$2.829 million in 2000/01 (when several major surveys were undertaken). Funding of statistics by third parties in 2001/02 will amount to \$2.070 million.

Capital Contributions and Other Expenses: 1996/97 to 2001/02

Variations in these tend to reflect one-off rather than ongoing transactions.

Capital contributions

For Vote Statistics, there are four capital contributions covering this period.

The first two, in 1996/97, included \$4 million capital to offset the operating deficit due to a shortfall in third-party revenue, and \$40,000 for a small additional investment required for developments for the 1996 Census of Population and Dwellings.

The third capital contribution was \$380,000 in 2000/01 for the development of an annual Housing Survey.

In addition to the above three contributions, there is a \$1.300 million one-off capital contribution in 2001/02 for the purchase and development of a computer-assisted interviewing system.

Other expenses

The 1998/99 amount of \$1.979 million is for the accrual of unvested long service leave and retirement leave. This is a one-off technical adjustment, with any subsequent adjustments being treated as an output expense.

Analysis by Appropriation Type: 2001/02 and 2000/2001 Compared

Departmental output classes

The 2001/02 annual appropriations for the purchase of departmental outputs are expected to total \$62.222 million, a net decrease of \$21.736 million relative to 2000/01. The output classes are generally consistent with 2000/01, except for the significant factors outlined below (see Part B2 for further details).

Changes - all output classes

Reduced funding for:

- Statistics for third-party clients - Appropriations for output classes Population, Social and Labour Force Statistical Information Services (D2) and Economic and Business Statistical Information Services (D3) have been adjusted for costs recovered from third parties for the supply of additional, one-off, contracted statistics.

Appropriations for this type of activity have decreased by a net \$759,000 from \$2.829 million in 2000/01 to \$2.070 million in 2001/02. Output class D2 has decreased by \$197,000 while output class D3 has decreased by \$562,000.

One-off contracted statistics funded via third parties favour social and labour force statistics over economic and business statistics. This characteristic looks set to continue into the future.

Although these short-term surveys are commissioned and funded by third-party clients, the resulting outputs are publicly available.

- Capital charge rate change from 10% to 9% of taxpayers' equity. This reduces funding by \$198,000.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2001*.

Changes - output class D2 Population, Social and Labour Force Statistical Information Services

Additional funding of:

- \$788,000 for a full Longitudinal Survey of Income, Employment and Family Dynamics
- \$710,000 for a Post-censal Disability Survey
- \$150,000 for a project for research into the measurement of human capital from Vote Research, Science and Technology. This affects 2001/02 only.
- \$518,000 for a Housing Survey
- \$156,000 for the production of the biennial yearbook in 2001/02.

Reduced funding of:

- \$22.092 million for the cycle of the Census of Population and Dwellings. This decrease reflects the large increase in funding in 2000/01 that was required for conducting the 2001 Census of Population and Dwellings.
- \$663,000 for alterations to ongoing statistical programmes having a regular cycle of activity. These mainly relate to the six-year cycle of the Consumers Price Index revision, the Household Labour Force Survey and the three-yearly Household Economic Survey.
- \$56,000 following the conclusion of the development of an information base for cohort modelling from Vote Research, Science and Technology.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2001*.

Changes - output class D3 Economic and Business Statistical Information Services

Reduced funding of:

- \$155,000 for smoothing out the expenditure cycle of the seven-yearly Inter-industry Study
- \$135,000 for the conclusion of the project for developing Environmental Physical Asset and Flow Accounts, funded via a transfer from Vote Research, Science and Technology.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2001*.

Capital contributions

Vote Statistics will receive a capital contribution of \$1.300 million in 2001/02 to purchase laptops and develop the infrastructure software for a computer-assisted interviewing (CAI) system. This will allow responses from interviewer-administered surveys to be entered and edited at the time the response is received, rather than the responses being written into paper questionnaires and then later entered into the computer system. This allows more complex survey work to be carried out and enables quality and timeliness improvements due to the ability to edit data as it is entered. The CAI system will be used for the Household Savings Survey, the Longitudinal Survey of Immigrants to New Zealand, the Longitudinal Survey of Income Dynamics and other prospective social surveys.

Trends in Vote Statistics - Summary of Appropriations and Crown Revenue

Types of Appropriation	1996/97	1997/98	1998/99	1999/2000	2000/01		2001/02 Appropriations to be Used				
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows											
Classes of Outputs to be Supplied	59,985	57,819	56,551	56,229	83,958	83,395	62,222	-	-	-	62,222
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Other Expenses	-	-	1,979	-	-	-	-	-	-	-	-
Capital Flows											
Capital Contributions	4,040	-	-	-	380	380	1,300	-	-	-	1,300
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-
Total Appropriations	64,025	57,819	58,530	56,229	84,338	83,775	63,522	-	-	-	63,522
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-

Part B - Statement of Appropriations

Part B1 - Details of 2001/02 Appropriations

	2000/01				2001/02		Description of 2001/02 Appropriations
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Coordination of Government Statistical Activities	1,173	-	1,167	-	1,002	-	Fulfilment of the statistical coordination requirements of the Statistics Act 1975.
D2 Population, Social and Labour Force Statistical Information Services	54,089	-	53,782	-	37,457	-	Provision of statistics on population and demography, social policy, household economics, the labour market, Census of Population and Dwellings, and the environment; publication of statistical compendia; and maintaining the Streets Directory.
D3 Economic and Business Statistical Information Services	28,696	-	28,446	-	23,763	-	Provision of statistics on business, on international trade and finance, and on the government sector, and publication of the National Accounts.
Total Appropriations for Departmental Output Classes (Mode B Gross)	83,958	-	83,395	-	62,222	-	
Capital Contributions to the Department							
Capital Investment	380	-	380	-	1,300	-	Capital Contribution for the development of a computer assisted interviewing system.
Total Appropriations for Capital Contributions to the Department	380	-	380	-	1,300	-	
Total Appropriations	84,338	-	83,775	-	63,522	-	

Part C – Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

For more detailed analysis of departmental output classes, including financial and non-financial performance measures, please refer to Statistics New Zealand's Departmental Forecast Report.

Output Class D1 – Coordination of Government Statistical Activities

Description

The Minister of Statistics will purchase outputs to fulfil the statistical co-ordination requirements of the Statistics Act 1975, including:

- defining and facilitating the use of standard statistical concepts, procedures, definitions and classifications
- advising government departments on statistical matters
- conducting systematic reviews of the collection, compilation, analysis, abstraction and publication of official statistics
- providing assessments for ministerial approval of survey proposals submitted by government departments for surveys of major significance to the official statistical system
- conducting a five-yearly conference of users of official statistics.

Output Class D2 - Population, Social and Labour Force Statistical Information Services

Description

The Minister of Statistics will purchase statistical and related outputs in the following categories:

Population and demography

Analysis of changes to the population base, including the preparation of population estimates and demographic projections.

Social policy

Information on the social conditions in New Zealand.

Household economics

Statistics relating to individual and household income and expenditure, and the Consumers Price Index.

Labour market

Analysis of the labour force, including labour supply, wage rates, work stoppages, earnings and hours worked, employment contracts, and Labour Cost Index statistics.

Census of Population and Dwellings

Statistics and reports from the five-yearly census.

Statistical compendia

Publication of the biennial *New Zealand Official Yearbook*, annual *New Zealand in Profile* and monthly *Key Statistics*.

Environment

Maintain an inventory of environmental statistics.

Output Class D3 - Economic and Business Statistical Information Services

Description

The Minister of Statistics will purchase statistical and related outputs in the following categories:

Business statistics

Statistics relating to the productive base of the economy, including (a) business price indexes, (b) retail, wholesale, manufacturing and building activity, and (c) information technology.

International trade and finance

Statistics measuring changes in the value and volume of imports and exports of merchandise trade that show the flows of resources between all New Zealand businesses, government and individuals on the one hand, and the rest of the world on the other; balance of payments statistics; and New Zealand's International Investment Position statement.

Government sector

Statistics relating to the financial activities of central and local government.

National Accounts

Statistics analysing the past and current macro-performance of the New Zealand economy according to international standards, and describing the interdependence between industries.

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

Information regarding this appropriation is provided in Part B1.

Net Worth of Entities Owned

Statement of Estimated and Forecast Net Worth

	Balance Date	Estimated Net Worth 2001 \$ million	Forecast Net Worth 2002 \$ million
Entities Owned			
Statistics New Zealand	30 June	17.597	18.897