

VOTE

Employment

Employment

Overview

Appropriations sought for Vote Employment in 2002/03 total \$44.271 million. This is intended to be spent as follows:

- \$8.536 million (19.3% of the Vote) purchasing policy analysis and advice on employment and community employment development, evaluation, labour market research and purchase advice and monitoring of employment services funded through Vote Social Development.
- \$11.274 million (25.5% of the Vote) purchasing development assistance to communities facing labour market disadvantage in order to increase their capacity and sustainability to contribute to their own community enterprise and employment development. This output class also includes the management of project grants provided to a range of local community organisations.
- \$22.461 million (50.7% of the Vote) on community-based employment development projects leading to increased capacity and sustainability of communities that face labour market disadvantage to contribute to their own community enterprise and employment development.
- \$2.000 million (4.5% of the Vote) on services to promote enterprise development and provide capital finance for Māori women through the Māori Women's Development Fund.

Details of what the appropriations are to be spent on appear in Parts B1 and C of this Vote. Details of Crown Revenue appear in Part F1.

Employment

VOTE MINISTER: Minister of Social Services and Employment

ADMINISTERING DEPARTMENT: Department of Labour

The Minister of Labour is the Responsible Minister for the Department of Labour

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote Employment

Related Government Outcomes

The appropriation in Vote Employment will make a contribution to the following Government Key Goals:

- strengthen national identity and uphold the principles of the Treaty of Waitangi
- grow an inclusive, innovative economy for the benefit of all
- restore trust in Government and provide strong social services
- improve New Zealanders' skills
- reducing inequalities in health, education, employment and housing
- protect and enhance the environment.

The output classes in Vote Employment contribute to a number of Departmental outcomes which are related to Government's Key Goals.

These outcomes and the Vote Employment contributions are set out below:

Outcome	Contribution
More skilled and knowledgeable workforce which is able to meet future needs.	Policy advice on facilitating the acquisition of skills by the unemployed and employed. Research and communication on current and future skills needs.
Greater opportunities for all in New Zealand	Research and policy advice on interventions that are most likely to encourage employers to create more jobs.

Outcome	Contribution
Improved labour market participation, particularly for those disadvantaged in the labour market	<p>Policy advice on options for better matching job seekers with jobs and for rewarding and supporting participation in work, with particular focus on reducing disparity in outcome and service provision to those disadvantaged in the labour market.</p> <p>Purchase and monitoring advice on what services to require from the Ministry of Social Development, as the main provider of employment services on behalf of Government, and how effectively these services are being implemented.</p>
Thriving well settled and inclusive communities	Policy advice on community employment and development issues to guide the effective delivery of employment and development services that increase the capability and sustainability of community organisations to contribute to their own enterprise and employment development.

Output Classes

The output classes in Vote Employment contribute to the Government's key goals through the provision of policy advice, purchase advice, monitoring, labour market analysis and community development and employment services. These services aim to ensure that all New Zealanders have the capacity and opportunity to participate in paid work and that any time they spend out of work is for as short a period as possible.

To achieve these objectives, the appropriation is intended to fund a range of activities, including:

- advice on the policy requirements to achieve the Government's employment and labour market objectives
- policy analysis and advice on community employment development
- provision of a range of community employment and development services to assist communities facing labour market disadvantage to increase their capacity and sustainability to contribute to their own community enterprise and employment development
- monitoring and purchase advice to the Minister of Social Services and Employment in respect of the employment aspects of Vote Social Development
- monitoring and reporting on developments in employment and labour market trends
- related research and evaluation.

Part A2 - Trends in Vote Employment

Vote Structure Trends

Vote Employment Policy was re-named Vote Employment in 2000/01 following the transfer of the Community Employment Group from the Department of Work and Income to the Department of Labour on 31 July 2000. This transfer had an associated increase in appropriation for Vote Employment in 2000/01 to include funding for policy analysis and advice on community employment development and community employment and development services.

Between 1 October 1998 and 30 July 2000, community employment development services were funded through Vote Work and Income and provided through the Department of Work and Income. Prior to that, community employment development policy advice and services were provided through Vote Employment by the Department of Labour.

Vote Employment Policy was established on 1 October 1998 to fund Department of Labour's policy analysis and advice on employment, evaluation, labour market research functions. This Vote also provided purchase advice and monitoring of the Department of Work and Income employment services. Prior to 1 October 1998, employment policy analysis and advice, evaluation, and labour market research were provided through Vote Employment in the Department of Labour.

Output Trends from 1998/1999 to 2001/02

In 1999/2000, Vote Employment Policy appropriations were reduced to reflect the cessation of transitional funding appropriated in 1998/99 for services related to the implementation of the Government's decision to create the Department of Work and Income. This funding provided for costs incurred by the Department of Labour subsequent to the transfer of New Zealand Employment Service, Community Employment Group and Local Employment Co-ordination to the Department of Work and Income.

In 2001/02 the Labour Market Policy Group was allocated additional departmental funding for Future Work, an initiative to review and advise on the implications of future trends in work.

Appropriation Changes from 2001/02

In 2002/03, appropriations for Vote Employment increased to reflect initiatives approved in the 2002 Budget.

Output class D1, Policy, Purchase Advice and Monitoring increased by \$3.593 million, to provide additional research and information on opportunities for jobs and skills and to help co-ordinate, communicate and evaluate Government support for community access to information and communication technology.

Trends in Vote Employment - Summary of Appropriations and Crown Revenue

Types of Appropriation	1997/98	1998/99	1999/2000	2000/01	2001/02		2002/03 Appropriations to be Used				2003/04	2004/05	2005/06	
	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	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Operating Flows														
Classes of Outputs to be Supplied	-	6,989	3,638	14,125	16,227	16,080	19,810	-	-	-	19,810	17,912	18,268	17,718
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	-	-	-	18,849	23,744	23,744	-	-	24,461	-	24,461	20,666	20,666	20,666
Capital Flows														
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Total Appropriations	-	6,989	3,638	32,974	39,971	39,824	19,810	-	24,461	-	44,271	38,578	38,934	38,384
Total Crown Revenue and Receipts	-	-	-	59	35	58	N/A	N/A	N/A	N/A	-	-	-	-

Part B - Statement of Appropriations

Part B1 - Details of Appropriations

Appropriations	2001/02				2002/03	
	Vote		Estimated Actual		Vote	
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000
Departmental Output Classes (Mode B Gross)						
D1 Policy, Purchase Advice and Monitoring	5,254	-	5,124	-	8,536	-
						This appropriation funds research and policy advice on employment and community employment development and evaluation of policies and services, labour market research and purchase advice and monitoring of employment services funded through Vote Social Development.
D2 Community Employment and Development Services	10,973	-	10,956	-	11,274	-
						This appropriation funds community employment and development services to increase capability and sustainability of communities to contribute to their own community enterprise and employment development and also includes development assistance and grants to a range of local community organisations.
Total Appropriations for Departmental Output Classes (Mode B Gross)	16,227	-	16,080	-	19,810	-
Other Expenses to be Incurred by the Crown						
Community Employment and Development Projects	21,744	-	21,744	-	22,461	-
						This appropriation funds community-based employment development projects leading to increased capability and sustainability of organisations and communities to contribute to their own community enterprise and employment development in communities that face labour market disadvantage.

Part B1 - Details of Appropriations (continued)

	2001/02			2002/03		
	Vote		Estimated Actual	Vote		Other \$000
	Annual \$000	Other \$000		Annual \$000	Other \$000	
Appropriations						
Other Expenses to be Incurred by the Crown – cont'd						
Māori Women's Development Fund	2,000	-	2,000	2,000	-	-
Total Appropriations for Other Expenses to be Incurred by the Crown	23,744	-	23,744	23,744	-	-
Total Appropriations	39,971	-	39,824	44,271	-	-
						Description of 2002/03 Appropriations
						This appropriation provides services to promote enterprise development and provide capital finance for Māori women.

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

Output Class D1 - Policy, Purchase Advice and Monitoring

Through this output class the Minister purchases policy advice (including research and evaluation), purchase advice and monitoring which contributes ultimately to the following outcomes:

- More skilled and knowledgeable workforce which is able to meet future needs.
- Greater opportunities for all in New Zealand.
- Improved labour market participation, particularly for those disadvantaged in the labour market.
- Thriving, well-settled and inclusive communities.

These outcomes are also contributed to by a number of other agencies and are affected by a range of factors that are both within and outside the control of the Department and other government entities.

Through Vote Employment, the Department contributes to a more skilled and knowledgeable workforce which is able to meet future needs, by providing advice aimed at facilitating the acquisition of skills by the unemployed and the employed, and by researching and communicating information on current and future skill needs.

Policy advice and monitoring provided by the Department also contribute to greater opportunities for all in New Zealand by providing advice on government interventions most likely to encourage employers to create more jobs. To improve understanding on what affects decisions by employers to create more jobs, the Department's work in this area focuses on both practical solutions and research.

To encourage the successful participation of people in the labour market, the Department provides advice on options for better matching job seekers with jobs and for rewarding and supporting participation in work. This advice focuses especially on reducing disparity in outcome and service provision to those disadvantaged in the labour market.

The Department is also accountable for producing effective purchase and monitoring advice that informs the Minister's decisions about what services to require from the Ministry of Social Development, as the main provider of employment services on behalf of Government, and how effectively these services are being implemented.

This output class contributes to the achievement of thriving, well-settled and inclusive communities by providing advice to Ministers on community enterprise and employment development issues. This advice is informed by community goals and experience, and assists decision-making that contributes to the effective delivery of employment and development services. These services increase the capability and sustainability of community organisations that benefit disadvantaged people, which means that groups are more able to contribute to their own enterprise and employment

development. Successful local community development contributes to community wellbeing and sustainability, and to better labour market participation for disadvantaged groups.

Through its research and evaluation activities under this output class, the Department assists in testing the links between the Government's employment interventions and desired outcomes.

Activities under this output class include:

- policy analysis and advice, supported by research and evaluation, on ways to achieve these outcomes
- monitoring and reporting on developments in employment and labour market trends
- advisory support and information for Ministers as required in Cabinet Committees, Select Committees and Parliament
- ministerial servicing including replies to correspondence, parliamentary questions, official information requests, speech and briefing notes and other information required by the Minister.

Activities related to purchase and performance monitoring advice to the Minister of Social Services and Employment, in respect of the employment aspects of Vote Social Development include the provision of:

- advice on the Vote Social Development Purchase Agreement for 2002/03 between the Minister and the Ministry of Social Development
- analysis and commentary on the quarterly reports against the 2002/03 Vote Social Development Purchase Agreement
- other advice as required on employment-related issues which may affect and/or be affected by the 2002/03 Vote Social Development Purchase Agreement
- advice and assistance in managing budget development processes, and value for money exercises.

Output Class D2 – Community Employment and Development Services

Through this output class the Minister of Social Services and Employment purchases a range of community employment and development services to contribute to outcomes of:

- improved labour market participation, particularly for those disadvantaged in the labour market, and
- thriving, well-settled and inclusive communities.

Services are delivered by the Community Employment Group, which has a nation-wide network of community-based fieldworkers organised into four regions, supported by a national office. The most significant outcome of these services is successful local community enterprise and employment development for communities disadvantaged in the labour market. This is contributed to by providing:

- development assistance to community organisations that benefit groups facing labour market disadvantage, to increase their capacity and sustainability

- development assistance within communities that face concentrations of disadvantage and depressed labour market conditions, to increase their capacity and sustainability to contribute to their own community enterprise and employment development.

Priority is given to Māori, Pacific peoples, women, urban and rural disadvantaged groups and communities.

Services provided under this output class include:

- community interventions with community organisations and projects, including meeting facilitation and project planning advice, skill and knowledge building of project participants, grant assistance and monitoring
- project grants for a range of community employment projects
- community interventions within communities to create and support network development and undertake resource brokerage
- identification and development of innovative community employment opportunities
- building, sustaining and developing partnerships and alliances with other agencies to enhance development support to disadvantaged communities
- local community access to community employment development resources and information through a variety of channels.

Part D - Explanation of Appropriations for Other Operating Flows

Part D3 - Other Expenses

Community Employment and Development Projects

This appropriation funds community-based employment development projects leading to increased capacity and sustainability of organisations and communities to contribute to their own community enterprise and employment development. Priority is given to communities that face concentrations of disadvantage and depressed labour market conditions, in particular Māori, Pacific people, women, and urban and rural disadvantaged communities.

Community groups initiate and implement the projects with Community Employment Group fieldwork assistance. Grants are provided in response to an identified resource need for each project and are tailored on a case by case basis. This approach to project development encourages effective working partnerships between community, local government, private sector, and central government stakeholders.

Māori Women's Development Fund

This appropriation funds the Māori Women's Development Fund Inc. to promote enterprise development and provide capital finance for Māori women. Māori women are assisted to enter into business by providing access to capital through business loans and providing business advice and support services.

Part F – Crown Revenue and Receipts

Part F1 – Current and Capital Revenue and Receipts

	2001/02		2002/03	Description of 2002/03 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Current Revenue				
Non-Tax Revenue				
Programme Recoveries	35	58	-	
Total Non-Tax Revenue	35	58	-	
Total Current Revenue	35	58	-	
Total Crown Revenue and Receipts	35	58	-	