

Vote Labour

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

ADMINISTERING DEPARTMENT: Department of Labour

MINISTER RESPONSIBLE FOR DEPARTMENT OF LABOUR: Minister of Labour

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
International Services (M43) 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.	725	105	830
Policy Advice - Labour (M43) 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.	12,666	173	12,839
Services to Promote and Support Fair and Productive Employment Relationships (M43) Provision of information, guidance, investigation, mediation and decision making regarding employment rights and upholding minimum standards including support services provided to employment relations institutions.	25,686	23	25,709
Services to Promote and Support Safe and Healthy People and Workplaces (M43) 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.	28,058	4,430	32,488
Services to Promote and Support the Safe Management of Hazardous Substances in the Workplace and Amusement Devices (M43) 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.	4,543	(10)	4,533
Total Departmental Output Expenses	71,678	4,721	76,399
Non-Departmental Output Expenses			
Employment Relations Education Contestable Fund (M43) Grant funding for programmes that promote improved employment relationships and good faith behaviour, and good health and safety practices amongst employers, unions and employees.	1,028	1,141	2,169
Health and Safety in Employment Levy - Collection Services (M43) Provision of collection services from the Accident Compensation Corporation (ACC), to collect the HSE Levy on behalf of the Department of Labour.	869	-	869
Pay and Employment Equity Contestable Fund (M43) 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.	889	437	1,326
Total Non-Departmental Output Expenses	2,786	1,578	4,364

Titles and Scopes of Appropriations by Appropriation Type	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Other Expenses to be Incurred by the Crown			
Bad Debt Expense (M43) To cover the expected cost of writing off hearing fees for hearings of longer than a day in length at the Employment Court (hearings pre 1 December 2004) and the Employment Relations Authority where the applicant is granted hardship or where debt recovery is unsuccessful after three months.	15	-	15
Employment Relations Authority Members' Salaries and Allowances PLA (M43) As set by the HSC in order to administer and enforce employment-related legislation (section 171 of the Employment Relations Act 2000).	3,080	-	3,080
International Labour Organisation (M43) New Zealand's annual subscription to the ILO.	1,400	-	1,400
Joint Equal Employment Opportunities Trust (M43) Funding to promote EEO as a good management practice, delivered in partnership with the private sector.	943	-	943
New Zealand Industrial Relations Foundation (M43) Funding for education to promote better industrial relations.	15	-	15
Total Other Expenses to be Incurred by the Crown	5,453	-	5,453
Capital Expenditure to be Incurred by the Department			
Department of Labour - Capital Expenditure PLA (M43) 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	-	24,935	24,935
Total Capital Expenditure to be Incurred by the Department	-	24,935	24,935
Total Annual and Permanent Appropriations	79,917	31,234	111,151

Details of Projected Movements in Departmental Net Assets

Department of Labour

Details of Net Asset Schedule	2007/08 Estimates Projections \$000	2007/08 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2007/08
Opening Balance	57,018	57,804	Supplementary Estimates opening balance reflects the audited results as at 30 June 2007.
Capital Injections	6,281	4,266	Funding for the Department's capacity for supporting health and safe workplaces (\$356,000); funding for establishment costs for the Immigration Advisers Authority (\$979,000); funding for location of the Immigration and Protection Tribunal (\$150,000). Two expenditure transfers from 2007/08 to 2008/09, one for the Immigration Act Review due to a delay in the enactment of the Immigration Bill (\$1.500 million) and one for the ICT infrastructure programme (\$3.500 million).
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	(8,932)	-	
Other Movements	11,061	-	
Closing Balance	65,428	62,070	Supplementary Estimates closing balance reflects the anticipated results as at 30 June 2008.

Information Supporting the Supplementary Estimates

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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

	2007/08				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	74,464	4,721	1,578	6,299	80,763
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	5,453	-	-	-	5,453
Capital Expenditure	-	24,935	-	24,935	24,935
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	79,917	29,656	1,578	31,234	111,151
Crown Revenue and Receipts					
Tax Revenue	-	N/A	N/A	-	-
Non-Tax Revenue	39,331	N/A	N/A	-	39,331
Capital Receipts	-	N/A	N/A	-	-
Total Crown Revenue and Receipts	39,331	N/A	N/A	-	39,331

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.

Reasons for Change in Appropriation

This appropriation will increase by \$105,000 to \$830,000 for 2007/08. The change relates to Growth and Innovation Framework funding for interdepartmental travel relating to Free Trade Agreement/Closer Economic Partnership negotiations.

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.

Reasons for Change in Appropriation

This appropriation will increase by \$173,000 to \$12.839 million for 2007/08. The increase relates to funding for the Health and Safety in Employment (HSE) Levy proposal to use unallocated revenue.

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.

Reasons for Change in Appropriation

This appropriation will increase by \$23,000 to \$25.709 million for 2007/08. The majority of the increase represents an expenditure transfer from 2006/07 for the Temporary Work Policy: Recognised Seasonal Employer Scheme.

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.

Reasons for Change in Appropriation

This appropriation will increase by \$4.430 million to \$32.488 million in 2007/08. The increase is mainly due to:

- funding for the HSE Levy proposal to use unallocated revenue (\$4.863 million)
- return of savings to the Crown for EnergySafe - a review of the safety regime for electrical and gas workers due to the Department of Labour seeking Government direction on whether the service deliverables first envisaged in 2002/03 are still relevant today (\$305,000)
- transfer to 2008/09 for the Department of Labour's ICT Infrastructure Programme (\$118,000).

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.

Reasons for Change in Appropriation

This appropriation will decrease by \$10,000 to \$4.533 million for 2007/08.

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.

Reasons for Change in Appropriation

This appropriation will increase by \$1.141 million to \$2.169 million for 2007/08. This increase is due to the final amount of an expenditure transfer for outstanding 2006/07 contractual commitments on the Fund.

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.

Reasons for Change in Appropriation

This appropriation will increase by \$437,000 to \$1.326 million for 2007/08. This increase is due to the final amount of an expenditure transfer for outstanding 2006/07 contractual commitments on the 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

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	-	18,921	18,921
Intangibles	-	6,014	6,014
Other	-	-	-
Total Appropriation	-	24,935	24,935

Reasons for Change in Appropriation

The majority of the capital expenditure for property, plant and equipment relates to leasehold alterations in non residential buildings of \$8.514 million and purchase of new and replacement computer equipment of \$8.379 million. The leasehold alterations include changes to premises in Auckland (\$2.453 million), for the new Immigration Advisers Authority (\$979,000), other New Zealand locations (\$3.394 million) and international offices (\$1.688 million). The computer equipment includes additional equipment required for the new Information Communication and Technology Infrastructure changes (\$5.508 million), other additional equipment (\$771,000) and the replacement computer programme (\$2.100 million).