

Information Supporting the Supplementary Estimates

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

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	
Appropriations					
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	-	-
Total Appropriations	113,522	(6,795)	56	(6,739)	106,783
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	38,380	N/A	2,485	2,485	40,865
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	38,380	N/A	2,485	2,485	40,865

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		Total \$000
	Estimates \$000	Supplementary Estimates \$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.

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	-	-	-
Total Appropriation	24,739	(7,135)	17,604

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).