

Performance Information for Appropriations

Vote Statistics

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Statistics (M67)

ADMINISTERING DEPARTMENT: Statistics New Zealand

MINISTER RESPONSIBLE FOR STATISTICS NEW ZEALAND: Minister of Statistics

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister of Statistics is responsible for appropriations in the Vote for the 2010/11 financial year. A total of \$89.117 million is appropriated for the Official Statistics - Multi Class Output Appropriation (MCOA) comprising the following outputs:

- a total of \$13.964 million for Coordination of Government statistical activities
- a total of \$30.809 for Economic and Business statistical information services
- a total of \$44.344 million for Population, Social and Labour Force statistical information services.

A Multi-year Appropriation was established from 1 July 2007 to provide for flexibility in planning for the 2011 Census of Population and Dwellings as a single programme over the five year cycle. A total of \$88.606 million has been appropriated for the 2011 Census. Actual expenditure for 2007/08 was \$2.043 million and for 2008/09 was \$6.901 million. It is expected that \$12.519 million will be spent in 2009/10 and \$55.549 million in 2010/11, leaving a balance of \$11.594 million for the remainder of the 2011 Census 5 year programme.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

The Government aims to improve New Zealand's economic, social, environmental, and cultural well-being, with its prime focus on lifting economic performance. Activity under Vote Statistics contributes to this priority by ensuring government, businesses, and the general public have comprehensive and high quality information to inform their decision-making, and monitor outcomes over time. The use of statistical information will lead to better decisions, which will contribute to the growth of the economy, and improved social, environmental, and cultural outcomes. For this reason, the Official Statistics System, funded through Vote Statistics, aims to foster a society in which official statistics are used to inform policy decisions, and monitor and understand the state and progress of New Zealand.

Government Priorities and Outcomes - Links to Appropriations

Government Priorities	Government Outcomes	Appropriations
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Develop an agreed list of New Zealand's most important statistics (Minister of Statistics' priorities letter 2010)	Official Statistics Multi-Class Output Appropriation (M67)
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Develop a long-term plan to ensure business sustainability for Statistics New Zealand (Minister of Statistics' priorities letter 2010)	Official Statistics Multi-Class Output Appropriation (M67)
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Continue to improve and extend productivity measures, and progress the development of institutional sector national accounts (Minister of Statistics' priorities letter 2010)	Official Statistics Multi-Class Output Appropriation (M67)
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Improve access to government-held information and data (Minister of Statistics' priorities letter 2010)	Official Statistics Multi-Class Output Appropriation (M67)
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Address duplication and exploit rationalisation opportunities (Minister of Statistics' priorities letter 2010)	Official Statistics Multi-Class Output Appropriation (M67)
Improve New Zealand's economic, social, environmental, and cultural well-being, and lift economic performance	Ensure successful delivery of the 2011 Census of Population and Dwellings (Minister of Statistics' priorities letter 2010)	2011 Census of Population and Dwellings Multi-Year Appropriation (M67)

Government's long-term priorities for Vote Statistics are focused on ensuring that New Zealand gets maximum value from its investment in official statistics. For this to happen: the right information needs to be available; this information needs to be used in decision-making by central and local government, and businesses; the costs to businesses and households must be minimised; and the statistical system must provide value for money. The Government's priorities to maximise value, and the Vote Statistics appropriations that will progress these, are detailed in the table below.

For further information on the high-level objectives of the Vote, please see the Statement of Intent for Statistics New Zealand.

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2005/06	2006/07	2007/08	2008/09	2009/10		2010/11			2011/12	2012/13	2013/14
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	122,777	93,612	89,915	94,903	106,554	106,554	144,666	-	144,666	102,083	95,378	93,196
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	16,738	7,303	-	-	12,100	12,100	16,000	-	16,000	22,000	19,000	17,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	139,515	100,915	89,915	94,903	118,654	118,654	160,666	-	160,666	124,083	114,378	110,196
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-

Analysis of Significant Trends

The fluctuation in the appropriation level for Statistics New Zealand is largely due to the cyclical nature of some of its survey activities and changes in new initiative funding. In the year the Census of Population and Dwellings is conducted, the costs rise significantly, due to expenditure on wages for enumerators and other temporary processing costs. The last Census year was in 2006. The next Census of Population and Dwellings will be held in 2011.

In 2010/11 Statistics New Zealand's total appropriations will increase by \$38.112 million compared to 2009/10 Estimated Actuals. The main contributing factors to the net increase are:

- Increase in funding of \$43.030 million relating to the MYA - 2011 Census of Population and Dwellings.
- Decrease in funding of \$1.150 million relating to Survey of Family Income and Employment.
- Decrease in funding of \$1.219 million relating to Standard Business Reporting.
- Decrease in funding of \$2.492 million relating to Programme of Official Social Statistics.

Statistics New Zealand also receives third-party revenue. The revenue generated is dependent on the demand for statistics by third-parties (individuals and companies) and other government departments to run specialised surveys. Contract surveys run for third-parties are fiscally neutral to Statistics New Zealand, as the additional revenue generated is offset by a corresponding increase in expenditure necessary to run the survey.

Performance Improvement Actions

Performance Improvement Actions	Short-term actions (see Note 1)	Medium-term impact measures
Implement initiatives aimed at securing continued production of key statistics that are critical to New Zealand's progress	Business Development Plan completed by 31 December 2010, and implementation plan underway by 30 June 2011	See Statistics New Zealand's Statement of Intent for medium-term measures on the transformation of the department's activities and sustainability
Implement initiatives aimed at securing continued production of key statistics that are critical to New Zealand's progress	Older, legacy IT systems used in Balance of Payments collections are migrated to newer systems	See Statistics New Zealand's Statement of Intent for medium-term measures on the number of legacy systems in use
Review statistical investment across government, to identify opportunities for rationalisation of statistics and collaboration across agencies	Review of the most important statistics (known as Tier 1 statistics) completed by 30 June 2011	See Statistics New Zealand's Statement of Intent for medium-term measures on duplication or overlap in the production of official statistics
Improved decision-making through better availability and use of management information	Dynamic activity-based costing model in place by 30 June 2011	Business decisions are made based on management information
Improved decision-making through better availability and use of management information	Processes in place to capture information on uses of statistics, customers, and markets by 30 June 2011	Business decisions are made based on management information

Note 1 - Progress on implementing these actions will be reported in the Quarterly Report to the Minister.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

The Official Statistics System outcome of 'an informed society using official statistics' reflects the Government's aim to increase the value of statistical information to New Zealand. For this to happen, the right information needs to be produced, and this information needs to be used.

Statistics New Zealand, funded through Vote Statistics, works with its Official Statistics System partners to ensure that it achieves its desired impact, where 'New Zealand increasingly gets the statistical information it needs to grow and prosper'.

This Official Statistics System outcome, as well as Statistics New Zealand's impact, is the intended result of the appropriations funded through Vote Statistics (the Official Statistics Multi-Class Output Appropriation, and the 2011 Census of Population and Dwellings Multi-Year Appropriation).

For further information on the intended impacts, outcomes, and objectives of the departmental output expense appropriations, please see the Statement of Intent for Statistics New Zealand.

2011 Census of Population and Dwellings (M67)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
2011 Census of Population and Dwellings (M67)	Original Appropriation	73,193
Planning and delivery of the 2011 five-yearly Census of Population and Dwellings, as required under the Statistics Act 1975.	Adjustments to 2008/09	15,413
	Adjustments for 2009/10	-
Commences: 1 July 2007	Adjusted Appropriation	88,606
Expires: 30 June 2012	Actual to 2008/09 Year End	8,944
	Estimated Actual for 2009/10	12,519
	Estimated Actual for 2010/11	55,549
	Estimated Appropriation Remaining	11,594

Revenue

	Budget \$000
Revenue from the Crown to end of 2010/11	77,012
Revenue from Others to end of 2010/11	-
Total Revenue	77,012

Reasons for Change in Appropriation

There has been no change in the appropriation for 2011 Census of Population and Dwellings.

Output Performance Measures and Standards

Performance Measures	2009/10		2010/11
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Report on 2011 Census of Population and Dwellings dress rehearsal process, findings, and recommendations	1 report	1 report	Not applicable in 2010/11
National coverage rate for the 2011 Census of Population and Dwellings	Not applicable in 2009/10 98% target coverage rate in 2005/06	Not applicable in 2009/10 98% coverage rate achieved in 2005/06	98% (see Note 1)
National response rate for the 2011 Census of Population and Dwellings	Not applicable in 2009/10 95% target response rate in 2005/06	Not applicable in 2009/10 94.8% response rate achieved in 2005/06	95%

Note 1 - International experience confirms that serious data quality issues emerge when the national coverage rate is below 98 percent.

The planning and delivery of the Census of Population and Dwellings is phased over a five-year cycle. As such, the performance measures may vary between years, depending on the stage and activities that are underway.

During 2009/10, the main activity for the 2011 Census of Population and Dwellings was the dress rehearsal, in which the proposed schedule or survey is sent to a number of households to test. The purpose of the dress rehearsal is to identify any issues that will need to be resolved before the Census proper. As such, the main measure of this activity is a report on the process, the findings, and what changes will need to be made.

In 2010/11, the main activity will be conducting the Census proper. The main measures of its success will be having a high proportion of residents in the country on the night counted by the census (ie, the coverage rate), and having a high proportion of residents return their completed form (ie, the response rate).

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2009/10 Budgeted \$000	2010/11 Budget \$000	2011/12 Estimated \$000	2012/13 Estimated \$000	2013/14 Estimated \$000
Initiative under current government						
Ensuring a Viable 2011 Census	2009/10	700	6,700	3,013	-	-
Initiatives under previous governments						
Strengthening the 2011 Census	2009/10	2,000	3,000	-	-	-
Census of Population and Dwellings	2003/04	7,489	22,111	2,223	-	-

Official Statistics MCOA (M67)

Scope of Appropriation

Coordination of Government Statistical Activities

Leadership of the OSS, including liaison with OSS partners, provision of ministerial services, statistical advice, and the operation of access channels.

Economic and Business Statistical Information Services

Delivery of statistical information services relating to business and the economy.

Population, Social and Labour Force Statistical Information Services

Delivery of statistical information services relating to the population, environment, household economics, social conditions, and the labour force.

Explanation for Use of Multi-Class Output Expense Appropriation

All three output classes contribute to the outcome of creating an informed society through official statistics.

Expenses and Revenue

	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	94,035	94,035	89,117
Coordination of Government Statistical Activities	15,045	15,045	13,964
Economic and Business Statistical Information Services	30,680	30,680	30,809
Population, Social and Labour Force Statistical Information Services	48,310	48,310	44,344
Revenue from Crown	83,203	83,203	79,604
Coordination of Government Statistical Activities	13,540	13,540	12,559
Economic and Business Statistical Information Services	25,003	25,003	26,351
Population, Social and Labour Force Statistical Information Services	44,660	44,660	40,694
Revenue from Other	10,832	10,832	9,513
Coordination of Government Statistical Activities	1,505	1,505	1,405
Economic and Business Statistical Information Services	5,676	5,676	4,457
Population, Social and Labour Force Statistical Information Services	3,651	3,651	3,651

Reasons for Change in Appropriation

A net decrease in funding of \$4.918 million in 2010/11, with the main contributing factors being:

- Decrease in funding of \$1.150 million relating to Survey of Family Income and Employment.
- Decrease in funding of \$1.219 million relating to Standard Business Review.
- Decrease in funding of \$2.492 million relating to Programme of Official Social Statistics.

Output Performance Measures and Standards

Performance Measures	2009/10		2010/11
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Output Class 1: Coordination of Government Statistical Activities			
Leadership of the Official Statistics System			
The Official Statistics System policy programme is delivered, as agreed with the Minister in the Purchase and Performance Agreement, and as varied by agreement during the year The policy programme includes advice and reports provided on system-wide strategies and planning, the health and performance of the system, and education and capability initiatives across the system.	Not applicable - new measure introduced for 2010/11	Not applicable - new measure introduced for 2010/11	Minister is 'satisfied' or 'very satisfied' (see Note 1) that 100% of policy advice meets the Quality Standards for Policy Advice (see Note 2)
Dissemination services			
Responses to statistical enquiries are provided within the timeliness standard and high quality services are provided. Statistical enquiries includes requests for customised datasets, international questionnaires, outreach seminars and visits, requests for access to microdata, and queries to the free enquiry service.	27,148 statistical enquiries 90% of free enquiry service queries responded to within 2 working days 80% of clients rate the service as 'very good' or 'excellent' (see Note 3)	27,148 statistical enquiries 95% of free enquiry service queries responded to within 2 working days 85% of clients rate the service as 'very good' or 'excellent'	27,148 statistical enquiries 90% of free enquiry service queries responded to within 2 working days 80% of clients rate the service as 'very good' or 'excellent'
Output Class 2: Population, Social and Labour Force Statistical Information Services and Output Class 3: Economic and Business Statistical Information Services			
Statistical releases are free from such significant error that they require a public correction notice to be published A significant error is one which affects a high priority output, may mislead economic or social policy decisions or commentary, or changes a headline figure or indicator.	241 releases 99% free from significant error	247 releases 99% free from significant error	236 releases 99% free from significant error
Survey-based statistical releases meet their target response rates, as agreed with the Minister in the Purchase and Performance Agreement	82 survey-based releases 100% met target response rate	82 survey-based releases 97% met target response rate	80 survey-based releases 100% met target response rate
Statistical releases are published on the advertised date (see Note 4), as agreed with the Minister in the Purchase and Performance Agreement	100% published on the advertised date	98% published on the advertised date	100% published on the advertised date
Users trust official statistics	Not applicable - new measure introduced for 2010/11	Not applicable - new measure introduced for 2010/11	A majority of a sample of the public trust a sample of official statistics (see Note 5)

Note 1 - The Minister's satisfaction with policy advice will be measured through a short survey. This survey will ask the Minister to rate his/her personal satisfaction (from 'very dissatisfied' to 'very satisfied') with policy advice provided to date.

Note 2 - Quality Standards for Policy Advice includes:

- Purpose: the aims of the paper have been clearly stated and they answer the questions set.
- Logic: the assumptions behind the advice are explicit, the argument is valid and supported by facts.
- Accuracy: the facts in the papers are accurate and all material facts have been included.
- Options: an adequate range of options has been presented and each is assessed for benefits, costs and consequences to the organisation/system/government and the community as appropriate.
- Consultation: there is evidence of adequate consultation with interested parties and possible objections to proposals have been identified.
- Practicality: the problems of implementation, technical feasibility, timing and consistency with other policies have been considered.
- Presentation: the format meets requirements, the material is effectively and concisely summarised, and is free from spelling or grammatical errors.

Note 3 - Client satisfaction is measured through a voluntary survey sent to clients after the requested service has been provided.

Note 4 - Publication dates for statistical releases are advertised on the Statistics New Zealand website.

Note 5 - A survey of the general public will be carried out, with the exact sample size yet to be determined. The sample of statistics will include statistics on inflation (such as the Consumers Price Index), statistics on the national economy (such as Gross Domestic Product), statistics on employment and unemployment (such as Household Labour Force statistics), and population statistics (such as statistics from the Census of Population and Dwellings).

The performance measures and standards for the Official Statistics multi-class output appropriation have been revised to provide a balance between the number of measures and the amount of funding allocated to each output class.

Output Class 1: Coordination of Government Statistical Activities covers a diverse range of activities including: provision of policy advice to the Minister of Statistics; leadership and standard setting services for the Official Statistics System; international relations; and dissemination services. As this output class includes less than 20 percent of the multi-class output appropriation, performance measures are only included for the main activities. The main activities, which require the greatest funding and resource allocations, are services related to leadership of the Official Statistics System and dissemination services.

Output Class 2: Population, Social and Labour Force Statistical Information Services, and Output Class 3: Economic and Business Statistical Information Services, involve the provision of statistics on a range of subjects. As the activities involved in delivering these statistics are very similar, performance measures for these two output classes have been combined.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2009/10 Budgeted \$000	2010/11 Budget \$000	2011/12 Estimated \$000	2012/13 Estimated \$000	2013/14 Estimated \$000
Initiatives under previous governments						
Statistics New Zealand Capability Needs - Field Collections	2008/09	1,161	1,161	1,161	1,161	1,161
Making More Information Freely Available	2007/08	1,500	1,500	1,500	1,500	1,500
Enhanced Productivity Measures for New Zealand	2006/07	1,962	1,962	1,962	1,962	1,962
Integrated Dataset on Student Loan Scheme Borrowers	2005/06	587	587	587	587	587
Improving Government Services to Business	2005/06	290	290	290	290	290
Implementing Archiving of Census of Population and dwellings	2005/06	143	143	143	143	143
Meeting International Obligations	2005/06	2,218	2,218	2,218	2,218	2,218
Statistics New Zealand Capability Needs	2005/06	6,085	6,085	6,085	6,085	6,085
Satellite Accounts for Non-Profit Institutions and Households	2004/05	253	253	253	253	253
Official Statistics System Model (OSS)	2004/05	3,074	3,074	3,074	3,074	3,074
New Accommodation for Wellington Staff	2004/05	2,338	2,338	2,338	2,338	2,338
Linked Employer/Employee Data (LEED)	2004/05	1,813	1,813	1,813	1,813	1,813
Programme of Official Social Statistics (POSS)	2003/04	12,457	9,965	11,142	10,440	8,075
Macroeconomic Statistics	2003/04	1,107	1,107	1,107	1,107	1,107
Household Labour Force Survey	2003/04	80	80	80	80	80
Capability in Statistics New Zealand	2003/04	1,290	1,290	1,290	1,290	1,290

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Statistics New Zealand - Capital Expenditure PLA (M67)

Scope of Appropriation

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

Capital Expenditure

	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	6,903	6,903	7,000
Intangibles	5,197	5,197	9,000
Other	-	-	-
Total Appropriation	12,100	12,100	16,000

Reasons for Change in Appropriation

The main change in Capital Expenditure in 2010/11 is due to the upgrade and/or replacement of Statistics New Zealand software and IT systems.

Statistics New Zealand has a considerable investment need. However, the pressure on its operating funding is such that the organisation cannot currently afford the depreciation expenditure to fulfil its capital investment needs.