

Vote Pacific Island Affairs

Baseline Alignment Proposal

8 March 2010

Submitted by:

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Section 1: Alignment to Government Priorities

Pacific people are a fast-growing proportion of New Zealand's population and increasingly influence our economy, our culture and our society. Today nearly one in 14 New Zealanders is a Pacific person: by 2026 it will be one in 10. More important than the numbers is the age profile. The Pacific population is a youthful population. As New Zealand's 'baby-boomer' generation reaches retirement age, Maori and Pacific young people are and will be an increasing proportion of the labour market. Pacific babies being born now in Auckland will comprise thirty percent of the future workforce in fifteen to twenty years time.

Pacific and Maori young people aged 18 – 24 years have the highest unemployment rates in New Zealand. Latest estimates showed that 29% of Pacific young people were unemployed compared with 30% among Maori and 18.4% among other New Zealanders. Approximately half of all Pacific young people leave school without a qualification.

The Ministry of Pacific Island Affairs (the Ministry) has developed an Outcomes Framework, to guide its work with state agencies and Pacific communities. It provides a focus on priority areas that offer the best prospects for the development of Pacific families and communities. Two key outcomes have been identified for action over the next 2-3 years:

- Improved economic wellbeing and living standards, and
- Cohesive and resilient Pacific families and communities

These outcomes require improvements in education, employment, health, housing and other intermediary factors. The need to lift achievement in Pacific education through increasing participation in Early Childhood Education, raising literacy and numeracy, and achieving qualifications and skills remain paramount in the task of lifting incomes and standards of living for Pacific people. These can only be achieved through a concerted approach across the whole government sector, and where appropriate, bringing private sector and community resources to the table as well.

The Ministry has an important stakeholder management and facilitative role to play in this regard. Hence, while the Ministry will continue to work with lead agencies to secure leverage for better Pacific outcomes, energy will also be directed to appropriate projects that will bring other stakeholders to the table.

The specific Ministerial priorities for this Vote and their contribution to government are:

Priority 1: Lifting incomes and standards of living for Pacific peoples

In education, priority will be given to ensuring that the Ministry of Education meets the agreed targets of increasing Pacific participation in Early Childhood Education, raising Pacific literacy and numeracy, and ensuring Pacific children leave school with worthwhile qualifications. Details are outlined in the Pasifika Education Plan launched in 2009.

In health, priority will be given to better, sooner and more convenient health services for Pacific people with a focus on increased immunisation, better diabetes services, reduced smoking rates, and increased uptake of breast cancer screening. The Ministry will work closely with the Ministry of Health to implement Ala Moui – Pacific Health Action Plan.

In other areas priority projects will include;

- progressing the MPIA/NZAID/Reserve Bank and World Bank Financial Capability Awareness project as part of the NZ-Pacific Remittances Programme, to help improve the financial management skills of Pacific people.
- implementing the revised *Pacific Economic Action Plan* and achieve targets in the key areas of youth leadership, youth employment, workforce skills and training
- supporting the Pacific Business Trust to grow Pacific businesses and to build the capability of Pacific providers.

Priority 2: Making progress in Auckland

The *Auckland Pacific Strategy* has been completed and is supported by key regional stakeholders. The focus for 2010 is implementing this plan. While there will be a focus across five strategic priorities identified in the *Auckland Pacific Strategy*, of particular importance will be strengthening Pacific leadership and Pacific NGOs. Pacific NGOs provide much-needed services in the community but require considerable support in governance, management and business development. Specific initiatives include;

- strengthening governance, management and business capabilities among Pacific-based ECE Centres
- promoting Pacific leadership and influence across key institutions beginning with work to increase the number of Pacific people elected to schools Boards of Trustees
- improving access to literacy and numeracy training for the existing workforce
- securing opportunities for Pacific businesses and community groups to showcase Pacific cultures during the Rugby World Cup 2011

Priority 3: Promoting Pacific cultures and languages

A draft version of the Pacific Languages Strategy (PLS) has been developed for stakeholder input. The priority for 2010 will be to secure support and resources to implement the PLS in a number of settings. The Ministry will also explore the development of a bilingual (Samoan and English) primary school in Auckland, bringing together relevant stakeholders to explore the merits, risks and implications of this initiative. Improving educational outcomes is dependent on a range of factors, including language skills. There is well-established international evidence that bilingualism is associated with improved academic abilities, educational achievement and employment prospects.

Critical things that need to happen

The Ministry is proposing to develop a Cabinet-endorsed 'whole-of-government' needs based approach to achieving improved outcomes for Pacific people. The Ministry will lead a consultative process working closely with key agencies to develop, agree and implement measures to improve outcomes for Pacific people e.g. lift ECE participation, improved literacy and numeracy and other priorities identified in the Pasifika Education Plan. As a key adviser to lead agencies the Ministry considers that a 'whole-of-government' approach that focuses on key targets, with accompanying resources is likely to deliver improved outcomes, sooner.

Critical to this approach is the Ministry's internal capacity and capability to add value and influence positive outcomes for Pacific peoples by other agencies. The Ministry is currently developing Performance Improvement Actions (PIAs) as part of improving its ability to monitor and measure its performance and preparation for its formal participation in the PIA process. The Ministry is part of the second cohort of agencies to be formally assessed commencing in 2012.

Risks arising out of my intentions

The Prime Minister has approved the Ministry's proposed 'whole-of-government' approach to actively improve outcomes for Pacific people. I am convinced that such an approach is likely to make a more positive impact on Pacific outcomes, sooner. Ad hoc and unplanned approaches of the past based on the good will of agencies have failed to deliver measurable improvements in Pacific outcomes. The likelihood of measurable improvements in Pacific outcomes in education, employment, health and housing is likely to be limited unless there is a concerted effort across government to improve the situation.

Managing rising costs within a small baseline budget is a constant challenge. The Ministry has made such efficiency gains as it has been possible over the last two years and any further cost pressures will mean possible cuts to the staffing baseline. Approximately 72% of the Ministry's costs are fixed.

What has to wait?

As a small agency, the Ministry is required to prioritise its activities at all times. It has categorised sectors and issues into high, medium and low priorities for the purposes of managing workload. It intends to focus its analysis and advice on the priority areas outlined above and to maintain a 'watching brief' on lower priority sectors and issues.

I have agreed that the Ministry that in respect of matters not directly related to the above priorities e.g. Ministerial Taskforce on Suicide prevention, Ministerial Committee on Injury Prevention, and the like, the Ministry will keep on a watching brief only.

Section 2: Reprioritisation

The Ministry is responsible for two output classes – policy and communications. These outputs will remain the same but the Ministry will seek to achieve improvements sooner. In order to lift its impact and influence, it will continue this focus on building its knowledge capability and its research and evaluation functions. Information obtained from these activities will be used to support other agencies in their efforts to improve outcomes for Pacific people.

The Ministry will also continue to grow its ability to work across key government agencies, something which relies on my working closely with key Ministers and which proved of value in the past year. The Ministry will devote a substantial share of its limited resources to these priority areas. Robust relationships with key agencies is important to making improvements for Pacific people.

The Ministry relies a great deal on its relationships with key agencies in order to achieve its objectives. While it has established good working relationships with the main agencies, Pacific people continue to have low educational achievement, high unemployment and poor health. It is clear that the Ministry and partner agencies need to do more in selected areas. The Ministry will continue to devote a substantial share of its limited resources to these priority areas.

The Ministry is also uniquely placed to lead work in specific areas such as the preservation and revitalisation of Pacific languages and the promotion of Pacific cultures in New Zealand. Pacific languages and cultures add a great deal to the richness of New Zealand culture as well as providing significant social and economic benefits. Furthermore, the languages of realm countries Niue, Cook Island and Tokelau are most at risk of extinction. The Ministry will continue to support language promotion from savings identified within its baseline budget.

The Ministry will continue to build its internal capability and improve its processes and systems to ensure that it can confidently proceed with the changes outlined. Training and strengthening staff capabilities is important because it relies heavily on the quality of its staff in order to achieve its objectives. Minor structural changes have been made but the Ministry is committed to building an organisational culture that is devoted to achieving tangible results. It can only support new projects by making savings elsewhere in the Ministry.

What would be new and different?

While the Ministry will continue to contribute to the policy process, it will be highly focused on the 'vital few' areas such as education, employment and youth opportunities. Its contributions will be better supported by well-designed research and feedback from communities. While the outcomes sought will be the same as previously, the new approach seeks to exert influence sooner and more effectively and to focus on demonstrable improvements in critical areas. The Cabinet-endorsed 'whole of

government' approach will enhance the likelihood of greater impact and less reliance on the goodwill of agencies. A clearer focus on the priority areas is the aim of the Ministry.

The Ministry will also support specific projects seeking solutions to the unique challenges faced by Pacific people e.g. church and bank partnerships to improve home ownership by Pacific people. It must also allow for unplanned events that require resources to support community initiatives such as the tsunami in Tonga and Samoa in 2009.

In order to improve its support services, the Ministry will complete shared services arrangement with a suitable agency or agencies. It already has in place an agreement with DIA to provide financial services and currently exploring similar arrangement for information technology. Financial savings from shared services arrangement are not expected to be large but the arrangement will enable Ministry staff to access a larger pool of professional colleagues for peer support. It will also strengthen the Ministry's resilience to any future and unexpected changes.

What would stop or decrease?

The Ministry is not planning to stop any of its activities but to be particularly careful in selecting priorities for action. It has already categorised its areas of work into high, medium and low priority areas. As such, it will focus more on high priority areas such as education, training and employment for young people.

Funding Implications

All of the priorities for this Vote are funded, business-as-usual activities. They highlight points of emphasis within a wider work programme. As such, they will be achieved within baseline.

The Ministry continues to be committed to continuous review and improvement of performance and productivity, which will enable it to deliver its core services within current baselines. Delivering on the Ministry's priorities of building the research function, implementing the PLS and strengthening leadership and capability in Auckland, may require reallocation of resources, however the Ministry intends to respond to the current Ministerial priorities without seeking additional funding. It will also look to use existing staff in flexible ways and move staff between offices and/or establish virtual project teams depending on work priorities. Staff are increasingly using the videoconferencing facility for meetings between offices.

While no change in the total Vote is sought the Ministry wishes to combine the two output classes currently in use, into a single appropriation. This better reflects the nature of the work now being delivered, and the structure of the Ministry, where there is an extremely blurred line between the provision of policy advice and communications with the community.

Section 3: Summary of Financial Movements

	2009/1 0	2010/1 1	2011/1 2	2012/1 3	2013/1 4
Baseline (2009/10 FBU)	7,437	7,251	7,251	7,251	7,251
Share Allocation	-	-	-	-	-
Centralised Savings	-	-	-	-	-
Reprioritisation					
Policy & Monitoring	-	(3,206)	(3,206)	(3,206)	(3,206)
Communications & Relationships	-	(2,889)	(2,889)	(2,889)	(2,889)
Policy Advice, Monitoring, Communications & Relationships	-	6,095	6,095	6,095	6,095
Total Reprioritisation	-	-	-	-	-
Transfer Outside Vote	-	-	-	-	-
Total Transfers Outside Vote	-	-	-	-	-
Total Changes	-	-	-	-	-
Total Proposed Baseline	7,437	7,251	7,251	7,251	7,251