

The Treasury

Budget 2012 Information Release

Release Document

June 2012

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- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



Cabinet Economic Growth and Infrastructure Committee

EGI Min (12) 4/8

Copy No:

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Continuation of the New Zealand Population and Social Statistics Programme

Portfolio: Statistics

On 21 March 2012, the Cabinet Economic Growth and Infrastructure Committee (EGI):

Background

- 1 **noted** that in March 2011, EGI noted that:
 - 1.1 the Tomorrow's Official Population and Social Statistics (TOPSS) sub-programme in the business case Statistics 2020 outlines possible future approaches to an ongoing programme of population and social statistics, including the census;
 - 1.2 Statistics New Zealand would report back with the TOPSS Stage 2 Business Case by 31 March 2012;

[EGI Min (11) 4/10]
- 2 **noted** that:
 - 2.1 the current programme of population and social statistics (apart from the census) is using ten-year time-limited funding (of approximately \$9.2 million per annum) due to end on 30 June 2015;
 - 2.2 without continued funding, significant cuts to social statistics outputs will be required;
- 3 **noted** that a further time-limited funding of \$15.5 million from 2000/01 to 2009/10 was provided to Statistics New Zealand to conduct a longitudinal survey – the Survey of Family, Income and Employment (SoFIE) – which is not sought to be continued;
- 4 **noted** that robust statistical evidence will be critical to:
 - 4.1 advance the government's social reform agenda;
 - 4.2 understand structural drivers of changes in society;
 - 4.3 monitor changes in economic and social outcomes;

- 4.4 understand cause and effect, in particular the levers available to government;
- 4.5 support resource allocation, future service delivery and operational planning;

Stage 2 Business Case

- 5 **noted** that the Stage 2 Business Case, which has been through an external review process, considers the following three TOPSS options:
 - 5.1 Option A: reduced outputs, minimal flexibility;
 - 5.2 Option B: rationalised outputs, good flexibility;
 - 5.3 Option C: enhanced output, enhanced flexibility;
- 6 **noted** that Option A would deliver a smaller, less efficient programme of population and social statistics and does not meet stakeholder approval;
- 7 **noted** that:
 - 7.1 Statistics New Zealand recommends Option B for the continued population and social statistics programme, offering rationalised outputs and good flexibility;
 - 7.2 Option B balances user requirements and fiscal considerations;
 - 7.3 under this option, Statistics New Zealand is able to sustain its capability to lead Official Population and Social Statistics;
- 8 **noted** that a decision is needed in Budget 2012 to:
 - 8.1 provide planning certainty for New Zealand’s statistical production;
 - 8.2 manage risk, including the potential for other agencies to initiate ad hoc data collections, and the potential loss of key Statistics New Zealand staff;

Financial implications

- 9 **agreed in principle** to the funding proposal outlined in the preferred Option B, subject to suitable sources of funding being identified as part of the final Budget package, which will result in increases in Departmental Output Expense appropriations in Output Class 2 (population and social statistics) for Vote Statistics, as set out below:

\$ millions	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	Total over 10 years	Ongoing costs/ funding
Funding sought	-2.0	-1.2	2.2	9.1	10.7	10.7	10.4	9.4	9.9	9.5	68.7	9.6
Capital required	-	-	0.1	0.1	-	-	-	-	-	-	0.2	0.0

10 **noted** that:

10.1 the preferred Option B includes \$3.2 million savings which would be available for reprioritisation within the Official Statistics System or used to offset the funding required for this programme;

10.2 the Government Statistician submitted purchase advice as part of Statistics New Zealand's Four Year Budget Plan for Budget 2012 which recommended that:

10.2.1 \$2.2 million be retained in Vote Statistics to offset the operating funding requirement for TOPSS in 2014/15;

10.2.2 the remaining \$1 million be earmarked as a Budget 2012 contingency for consideration alongside the Tier 1 statistics development proposals to be considered by Cabinet in May/June 2012;

10.3 if the above advice is accepted, the operating funding sought will increase from \$68.7 million to \$69.7 million;

11 **noted** that this funding represents a real decrease in spending on population and social statistics;

12 **noted** that:

12.1 the population and social statistics programme of work will be governed as a sub-programme within the framework of governance for Statistics 2020;

12.2 the reporting, change and risk management arrangements applying to Statistics 2020 will apply.

Committee Secretary

Reference: EGI (12) 32

Present:

Hon Bill English (Chair)
 Hon Gerry Brownlee
 Hon Steven Joyce
 Hon David Carter
 Hon Phil Heatley
 Hon Kate Wilkinson
 Hon Nathan Guy
 Hon Craig Foss
 Hon Amy Adams
 Hon Maurice Williamson

Officials present from:

Office of the Prime Minister
 Officials Committee for EGI