

Vote Labour

APPROPRIATION MINISTER(S): Minister of Labour (M43)

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

RESPONSIBLE MINISTER FOR MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT:
Minister for Economic Development

Summary of the Vote

Overview

The Minister of Labour is responsible for appropriations in the Vote for the 2014/15 financial year covering the following:

- a total of over \$37 million for departmental output expenses including provision of employment relations services, including support services provided to employment relations institutions and for shared services for WorkSafe New Zealand
- a total of just under \$87 million for the purchase of services from non-departmental providers in relation to the Employment Relations Education Contestable Fund, collection of the Health and Safety in Employment Levy, and for Workplace Health and Safety
- a total of just under \$6 million for other expenses including write-off for non-recovered hearing fees, salaries and allowances of the Employment Relations Authority Members, subscription to the International Labour Organisation, promotion of equal employment opportunities and better relations through the Joint Equal Employment Opportunities Trust, and for the New Zealand Industrial Relations Foundation, and
- a total of over \$8 million for multi-category appropriations for policy advice and ministerial servicing.

Details of these appropriations are set out in Parts 2-4.

Estimates of Appropriations

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Employment Relations Services (M43) This appropriation is limited to the provision of information, guidance, investigation, mediation and decision-making regarding employment rights and upholding regulatory standards including support services provided to employment relations institutions.	30,550	30,550	26,174
Shared Services Support (M43) This appropriation is limited to the provision of support services to other agencies.	-	-	11,505
Health and Safety Services (M43) This appropriation is limited to the provision of information, education and support for workplaces regarding effective workplace health and safety practice, and enforcement action to promote compliance with the Health and Safety in Employment Act 1992 and related regulations.	38,568	38,568	-
Policy Advice and Related Outputs MCOA (M43)			
<i>Ministerial Services</i> This output class is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.	7,697	7,697	-
<i>Policy Advice - Labour</i> This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to employment relations, health and safety (including Hazardous Substances and New Organisms) and international labour commitments.	1,169	1,169	-
	6,528	6,528	-
Total Departmental Output Expenses	76,815	76,815	37,679
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.	1,470	1,470	500
Health and Safety in Employment Levy - Collection Services (M43) This appropriation is limited to the provision of collection services from the Accident Compensation Corporation (ACC), to collect the HSE Levy on behalf of the Crown.	869	869	869
Workplace Health and Safety (M43) This appropriation is limited to the provision of information, education, leadership, standards, support, and enforcement services relating to the health and safety of workplaces, the safe management of hazardous substances in workplaces, the safety of gas and electricity systems, and the inspection of amusement devices.	44,112	44,112	85,591
Total Non-Departmental Output Expenses	46,451	46,451	86,960

Titles and Scopes of Appropriations by Appropriation Type	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Other Expenses			
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	15
Employment Relations Authority Members' Salaries and Allowances PLA (M43) As set by the Remuneration Authority in order to administer and enforce employment-related legislation (section 171 of the Employment Relations Act 2000).	3,980	3,980	3,980
International Labour Organisation (M43) New Zealand's annual subscription to the ILO.	1,400	1,269	1,400
Joint Equal Employment Opportunities Trust (M43) Funding to promote EEO as a good management practice, delivered in partnership with the private sector.	450	450	450
New Zealand Industrial Relations Foundation (M43) Funding for education to promote better industrial relations.	15	15	15
Total Non-Departmental Other Expenses	5,860	5,729	5,860
Multi-Category Expenses and Capital Expenditure			
Policy Advice and Related Outputs MCA (M43) The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities. <i>Departmental Output Expenses</i> <i>Ministerial Services</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities. <i>Policy Advice - Labour</i> This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to employment relations, health and safety (including Hazardous Substances and New Organisms) and international labour commitments.	-	-	8,286
Total Multi-Category Expenses and Capital Expenditure	-	-	8,286
Total Annual and Permanent Appropriations	129,126	128,995	138,785

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2013/14 Budgeted \$000	2014/15 Budget \$000	2015/16 Estimated \$000	2016/17 Estimated \$000	2017/18 Estimated \$000
Improving Health and Safety at Work: Overview	Health and Safety Services Departmental Output Expenses	21,492	30,621	31,128	31,528	32,028
Canterbury Re-Build: Protecting Vulnerable Workers and Ensuring Fair Workplaces	Employment Relations Services Departmental Output Expenses	-	998	998	998	998
Savings from the Formation of Ministry of Business, Innovation and Employment	Employment Relations Services Departmental Output Expenses	-	(784)	(784)	(784)	(784)
	Policy Advice and Related Outputs Ministerial Services Multi-Category Expenses and Capital Expenditure	-	(34)	(34)	(34)	(34)
	Policy Advice and Related Outputs Policy Advice - Labour Multi-Category Expenses and Capital Expenditure	-	(208)	(208)	(208)	(208)
Shared Services Support	Shared Services Support Departmental Output Expenses	-	11,505	11,505	11,505	11,505
Total Initiatives by Year		21,492	42,098	42,605	43,005	43,505

1.2 - Trends in the Vote

Summary of Financial Activity

	2009/10	2010/11	2011/12	2012/13	2013/14		2014/15			2015/16	2016/17	2017/18
	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	67,938	69,502	69,061	79,404	115,569	115,569	37,679	86,960	124,639	125,542	124,614	125,071
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	5,410	6,499	4,800	5,009	5,860	5,729	-	5,860	5,860	5,860	5,806	5,806
Capital Expenditure	19,975	23,927	15,516	-	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	9,742	8,883	9,340	8,996	7,697	7,697	8,286	-	8,286	8,235	8,235	8,235
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	103,065	108,811	98,717	93,409	129,126	128,995	45,965	92,820	138,785	139,637	138,655	139,112
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	49,487	44,271	46,096	47,960	54,976	54,976	N/A	78,622	78,622	80,771	82,977	85,244
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	49,487	44,271	46,096	47,960	54,976	54,976	N/A	78,622	78,622	80,771	82,977	85,244

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered.

Adjustments to the Summary of Financial Activity Table due to Vote Restructuring

	2009/10 Adjustments \$000	2010/11 Adjustments \$000	2011/12 Adjustments \$000	2012/13 Adjustments \$000	2013/14 Budgeted Adjustments \$000	2013/14 Estimated Actual Adjustments \$000
Appropriations						
Output Expenses	(9,742)	(8,883)	(9,340)	(8,996)	(7,697)	(7,697)
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	9,742	8,883	9,340	8,996	7,697	7,697
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-
Total Appropriations	-	-	-	-	-	-
Crown Revenue and Capital Receipts						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-

The prior year information in the Summary of Financial Activity table has been restated to reflect the current Vote structure.

1.3 - Analysis of Significant Trends

Total Vote: All Appropriations

The variation overall is mainly due to: time limited initiatives; a reduction of \$495,000 from 2011/12 as a consequence of internal structural changes in corporate and policy functions within the then Department of Labour; and a reduction of \$1.979 million from 2012/13 due to efficiency savings of \$1.979 million and additional funding appropriated to increase the delivery of Health and Safety services.

In 2013/14 there was a significant change with the establishment of WorkSafe New Zealand as a Crown entity from 16 December 2013 which resulted in the transfer of funding from departmental to non-departmental expenditure and additional Crown funding.

Output Expenses

The trend in the output expenses reflects additional funding for enhanced health and safety and hazardous substances activities, and the transfer of funding for energy safety activities from Vote Energy to Vote Labour.

Other Expenses

The trend for this appropriation type has been reasonably constant with the slight fluctuations reflecting the impact of decisions relating to the Employment Relations Authority Members' salaries and allowances and the exchange rate fluctuations on the International Labour Organisation membership fee.

Capital Expenditure

Capital expenditure reflects the capital investment under the previous Labour Department. Capital expenditure is now reflected in Vote Economic Development and Employment since the establishment of MBIE.

The expenditure mainly reflected the phasing of the motor vehicle replacement programme, the cost of the remedial work to the Immigration ICT System and the implementation of the financial management system.

Multi-Category Output Expenses

The key changes reflected in these trends are:

- fluctuations due to the phasing of the funding for the skills strategy programme from 2009/10 to 2011/12
- the reprioritisation of funds for the new New Zealand Productivity Commission from 2010/11, and
- post implementation activities of free trade agreements causes a decline in from 2011/12 and outyears.

1.4 - Reconciliation of Changes in Appropriation Structure

2013/14 Appropriations in the 2013/14 Structure	2013/14 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2013/14 Appropriations in the 2014/15 Structure	2013/14 (Restated) \$000	2014/15 \$000
Departmental Output Expense						
Policy Advice and Related Outputs MCOA	7,697	To Policy Advice and Related Outputs MCA	7,697	Policy Advice and Related Outputs MCA	7,697	8,286
Health and Safety Services	38,568	Transfer to Workplace Health and Safety	(38,568)			
Non-Departmental Output Expense						
Workplace Health and Safety	44,112	Workplace Health and Safety	44,112	Workplace Health and Safety	82,680	85,591
		Transfer from Health and Safety Services	38,568			
Totals	90,377				90,377	93,877

The above changes reflect the restructuring of departmental output expenses following the establishment of WorkSafe New Zealand and the implementation and restructure of Multi-Class Output appropriations (MCOAs) to Multi-Category appropriations (MCAs) as per the Public Finance Act amendments.

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Employment Relations Services (M43)

Scope of Appropriation

This appropriation is limited to the provision of information, guidance, investigation, mediation and decision-making regarding employment rights and upholding regulatory standards including support services provided to employment relations institutions.

Expenses and Revenue

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	30,550	30,550	26,174
Revenue from the Crown	30,550	30,550	26,174
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve well functioning workplaces through services to educate and advise employers and employees about their obligations and entitlements, to enforce minimum employment standards, and to resolve employment problems where they arise.

How Performance will be Assessed and End of Year Reporting Requirements

	2013/14		2014/15
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Assessment of Performance			
The percentage of investigations into suspected breaches of regulatory standards of employment legislation completed within six months of receipt.	Updated measure	Updated measure	90%
Satisfaction of customers with overall quality and timeliness of mediation services.	Updated measure	Updated measure	80% Satisfied or very satisfied
Satisfaction of customers with the overall quality of contact centre services.	Updated measure	Updated measure	80% Satisfied or very satisfied
Activity Information (see Note 1).			
The number of interventions aimed at ensuring compliance with minimum standards of employment legislation (see Note 2).	2,000 - 2,500	2,000 - 2,500	2,500 - 3,000

Note 1 - Activity information relates to output volume measures that are demand driven and therefore outside the Ministry's control.

Note 2 - Due to process changes, straightforward cases are no longer classified as investigations, but are managed through other processes. Because only the more complex cases are now classified as investigations this has pushed out the average timeframe for completing investigations.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2013/14 Budgeted \$000	2014/15 Budget \$000	2015/16 Estimated \$000	2016/17 Estimated \$000	2017/18 Estimated \$000
Canterbury Re-Build: Protecting Vulnerable Workers and Ensuring Fair Workplaces	2014/15	-	998	998	998	998
Savings from the Formation of Ministry of Business, Innovation and Employment	2014/15	-	(784)	(784)	(784)	(784)
Reprioritisation Across Votes to Meet Cost Pressures	2014/15	-	1,422	473	-	-
Reprioritisation Across Years to Meet Cost Pressures	2012/13	441	(374)	-	-	-
Vote Realignment to Reflect Changes in Cost Allocation and Reprioritisation	2012/13	1,437	1,297	1,244	1,244	1,244
Review of Funding for the Remuneration Authority	2012/13	161	89	216	132	89
Efficiency Savings	2012/13	(572)	(566)	(566)	(566)	(566)
Cessation of Publications Revenue	2011/12	(202)	(202)	(202)	(202)	(202)
Funds Reprioritised from Disestablishment of the Partnership Resource Centre	2011/12	(1,173)	(1,173)	(1,173)	(1,173)	(1,173)
Change Management, Primary Contact Centre and Practice Leadership	2010/11	600	600	600	600	600

Reasons for Change in Appropriation

The decrease in this appropriation is mainly due to the cessation of one-off funding in 2013/14 as a result of fiscally neutral reallocation of overhead costs across Votes and appropriations administered by MBIE.

Conditions on Use of Appropriation

Reference	Conditions
Employment Relations Act 2000	Registration of receipt, processing, assessment and approval of applications made for union registration.

Shared Services Support (M43)

Scope of Appropriation

This appropriation is limited to the provision of support services to other agencies.

Expenses and Revenue

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	11,505
Revenue from the Crown	-	-	-
Revenue from Others	-	-	11,505

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide administration services on behalf of WorkSafe New Zealand and other agencies that arrangements are made with.

How Performance will be Assessed and End of Year Reporting Requirements

	2013/14		2014/15
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Assessment of Performance			
Service level standards are met to the standards and timeframes agreed with WorkSafe New Zealand.	New measure	New measure	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2013/14 Budgeted \$000	2014/15 Budget \$000	2015/16 Estimated \$000	2016/17 Estimated \$000	2017/18 Estimated \$000
Shared Services Support	2014/15	-	11,505	11,505	11,505	11,505

Reasons for Change in Appropriation

This appropriation was established in 2014/15. The appropriation enables the Ministry of Business, Innovation and Employment to provide shared services to other agencies, such as WorkSafe NZ, that are funded by those other agencies.

Part 3 - Details of Non-Departmental Appropriations

3.1 - 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

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,470	1,470	500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to contribute to increase skills and knowledge of employment relations matters to enable employers, employees and unions to deal with each other in good faith and build productive relationships, and to provide health and safety representatives with the skills and knowledge needed to promote the successful management of health and safety issues.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Service Providers

Provider	2013/14 Budgeted \$000	2013/14 Estimated Actual \$000	2014/15 Budget \$000	Reporting to the House	Expiry of Resourcing Commitment
Non-Government Organisations					
Employer and Union training providers	1,470	1,470	500	Not required	Ongoing
· Employment Relations Education Contestable Fund					

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2013/14 Budgeted \$000	2014/15 Budget \$000	2015/16 Estimated \$000	2016/17 Estimated \$000	2017/18 Estimated \$000
Reprioritise Employment Relations Education (ERE) Funding	2011/12	(678)	(678)	(678)	(678)	(678)
Employment Relations Education (ERE) Reprioritised for Primary Contact Centre	2010/11	(600)	(600)	(600)	(600)	(600)

Reasons for Change in Appropriation

The decrease in this appropriation for 2014/15 is mainly due to the cessation of an expense transfer from 2012/13 to 2013/14.

Conditions on Use of Appropriation

Reference	Conditions
2000/01 Budget	Proposed courses should be linked to the objectives of the Employment Relations Act 2000 or the Health and Safety in Employment Act 1992 or both, and may include: <ul style="list-style-type: none"> education initiatives to increase skills in and knowledge of employment relations matters, to improve relationships in the workplace and enable employers, employees and unions to deal with each other in good faith, and specific training courses, approved under the Health and Safety Employment Act 1992 for health and safety training representatives.

Health and Safety in Employment Levy - Collection Services (M43)

Scope of Appropriation

This appropriation is limited to the provision of collection services from the Accident Compensation Corporation (ACC), to collect the HSE Levy on behalf of the Crown.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	869	869	869

What is Intended to be Achieved with this Appropriation

This appropriation is to pay the costs charged by ACC for collection of the Health and Safety in Employment Levy.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
Health and Safety in Employment (Rates of Funding Levy) Regulations	The levy rate is \$0.08 in every \$100 of total liable earnings.

Workplace Health and Safety (M43)

Scope of Appropriation

This appropriation is limited to the provision of information, education, leadership, standards, support, and enforcement services relating to the health and safety of workplaces, the safe management of hazardous substances in workplaces, the safety of gas and electricity systems, and the inspection of amusement devices.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	44,112	44,112	85,591

Components of the Appropriation

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Workplace Health and Safety	41,613	41,613	81,177
Energy Safety	2,499	2,499	4,414

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Labour, Departmental Output Expense: Health and Safety Services	38,568	38,568	-
Vote Labour, Non-Departmental Output Expense: Workplace Health and Safety	44,112	44,112	-
Total	82,680	82,680	85,591

What is Intended to be Achieved with this Appropriation

This appropriation is intended to contribute to safer and more skilled workplaces by achieving a reduction in deaths and injuries, and exposure to hazardous substances, in workplaces, and an improvement to the safety of the supply of electricity and gas.

How Performance will be Assessed and End of Year Reporting Requirements

	2013/14		2014/15
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Assessment of Performance			
An increase in the proportion of employers reporting that they made changes to their workplace practices as a result of their contact with WorkSafe New Zealand:			
• employers who had had contact with Health and Safety Inspectors had made changes to their practices	New measure	New measure	At least 73%
• employers who had had contact with HSNO Inspectors had made changes to their practices.	New measure	New measure	At least 58%

End of Year Performance Reporting

Performance information for this appropriation will be reported by WorkSafe New Zealand in its annual report.

Reasons for Change in Appropriation

The increase in this appropriation for 2014/15 reflects a full year of operation of WorkSafe New Zealand, which was established on 16 December 2013.

3.4 - Non-Departmental Other Expenses

Bad Debt Expense (M43)

Scope of Appropriation

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.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	15	15	15

What is Intended to be Achieved with this Appropriation

This appropriation is intended to allow the write off of debts owed by users of the services of the Employment Relations Authority when the Authority deems the debts are unrecoverable.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act, as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
Employment Relations Authority	Decision processes can be subjected to external audit.

Employment Relations Authority Members' Salaries and Allowances PLA (M43)

Scope of Appropriation

As set by the Remuneration Authority in order to administer and enforce employment-related legislation (section 171 of the Employment Relations Act 2000).

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,980	3,980	3,980

What is Intended to be Achieved with this Appropriation

This appropriation is intended to allow the Employment Relations Authority to fulfil its statutory responsibilities.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act, as additional performance information is unlikely to be informative because this appropriation is solely for payments of salaries and allowances under section 171 of the Employment Relations Act 2000. Performance information relating to the administration of payment is provided under the Employment Relations Services appropriation.

Conditions on Use of Appropriation

Reference	Conditions
Employment Relations Act 2000 - section 171	Employment Relations Authority members' salaries and allowances are paid in accordance with the agreed schedule.

International Labour Organisation (M43)

Scope of Appropriation

New Zealand's annual subscription to the ILO.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,400	1,269	1,400

What is Intended to be Achieved with this Appropriation

This appropriation intended to achieve the payment of the membership subscription of the International Labour Organisation.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
International Labour Organisation Subscription	Manage New Zealand's subscription to the International Labour Organisation.

Joint Equal Employment Opportunities Trust (M43)

Scope of Appropriation

Funding to promote EEO as a good management practice, delivered in partnership with the private sector.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	450	450	450

What is Intended to be Achieved with this Appropriation

The Trust promotes equal employment opportunities practices in the workplace to increase the success of New Zealand businesses.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
Equal Employment Opportunities Trust	The Equal Employment Opportunities Trust is a charitable trust established jointly by the Government and the private sector in 1991. The public sector trustees are appointed by the Minister of Labour and the Minister of Women's Affairs, while the private sector trustees are appointed by the private sector members of the Trust. The Equal Employment Opportunities Trust is jointly funding from employer subscriptions and government contributions. Government funding is on dollar-for-dollar basis with the employer contributions.

New Zealand Industrial Relations Foundation (M43)

Scope of Appropriation

Funding for education to promote better industrial relations.

Expenses

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	15	15	15

What is Intended to be Achieved with this Appropriation

This appropriation is intended to contribute to helping the labour market work more effectively through the provision of new knowledge about employment relations.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental output expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
Charitable Trusts Act 1957	The Foundation is an educational trust incorporated under the Charitable Trusts Act 1957. Trustees administer the Foundation. They are the Minister of Labour (Chairperson), the President and Chief Executive of Business New Zealand and the President and Secretary of the New Zealand Council of Trade Unions. Trustees are advised by a Steering Committee consisting of the Chief Executive or his nominee, the Chief Executive of Business New Zealand and the Secretary of the Council of Trade Unions.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

Multi-Category Expenses and Capital Expenditure

Policy Advice and Related Outputs (M43)

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.

Scope of Appropriation

Departmental Output Expenses

Ministerial Services

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.

Policy Advice - Labour

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to employment relations, health and safety (including Hazardous Substances and New Organisms) and international labour commitments.

Expenses, Revenue and Capital Expenditure

	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	8,286
Departmental Output Expenses			
Ministerial Services	-	-	2,035
Policy Advice - Labour	-	-	6,251
Funding for Departmental Output Expenses			
Revenue from the Crown	-	-	8,286
Ministerial Services	-	-	2,035
Policy Advice - Labour	-	-	6,251
Revenue from Others	-	-	-
Ministerial Services	-	-	-
Policy Advice - Labour	-	-	-

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2013/14		2014/15
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Labour, Departmental Output Expenses, Policy Advice and Related Outputs MCOA to MCA			
Ministerial Services	1,169	1,169	2,035
Policy Advice - Labour	6,528	6,528	6,251
Total	7,697	7,697	8,286

The previous MCOA Policy Advice and Related Outputs has been converted to an MCA.

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve policy advice of high technical quality relating to employment relations, health and safety and international labour commitment; and to achieve effective and efficient ministerial services.

How Performance will be Assessed for this Appropriation

Performance will be assessed by ministerial feedback on policy advice, external review of policy advice, cost of policy advice, and timeliness of ministerial service; and feedback from tripartite partners and senior officials as specified in the following table for each MCA category.

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2013/14		2014/15
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Policy Advice and Related Outputs			
Departmental Output Expenses			
<i>Ministerial Services</i>			
This category is intended to achieve effective and efficient ministerial services.			
Responses to Parliamentary Questions, ministerial correspondence and ministerial Official Information Act 1982 requests are to be completed within either specified or statutory timeframes.	95% or above	95% or above	95% or above
<i>Policy Advice - Labour</i>			
This category is intended to achieve policy advice of high technical quality relating to employment relations, health and safety and international labour commitments.			
The satisfaction of the Minister of Labour with the policy advice service, as per the common satisfaction survey.	At least 70%	At least 70%	At least 70%
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%.	At least an average of 73%	At least an average of 73%	At least an average of 73%
The total cost per hour of producing outputs.	At most \$155	At most \$155	At most \$155

Assessment of Performance	2013/14		2014/15
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Policy Advice and Related Outputs - cont'd			
Meet New Zealand's International Labour Organisation's related commitments through protecting and promoting New Zealand's labour interest, including submitting all required reports and questionnaires within specified timeframes.	100% met	100% met	100% met
Tripartite partners and senior officials are satisfied with the quality of support, and representation, including stakeholder consultation, provided to meet New Zealand's labour-related international commitments.	Satisfied	Satisfied	Satisfied
Provide support to the Ministry of Foreign Affairs and Trade in negotiation of trade labour agreements as part of all free trade agreements, and implemented in accordance with each agreement.	Support provided as requested	Support provided as requested	Support provided as requested

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2013/14 Budgeted \$000	2014/15 Budget \$000	2015/16 Estimated \$000	2016/17 Estimated \$000	2017/18 Estimated \$000
Ministerial Services						
Savings from the Formation of Ministry of Business, Innovation and Employment	2014/15	-	(34)	(34)	(34)	(34)
Policy Advice - Labour						
Savings from the Formation of Ministry of Business, Innovation and Employment	2014/15	-	(208)	(208)	(208)	(208)
Policy Advice - Labour (MCOA)						
Transfer of National Advisory Council on the Employment of Women to the Ministry of Women's Affairs	2012/13	(200)	(200)	(200)	(200)	(200)
Efficiency Savings	2012/13	(273)	(271)	(271)	(271)	(271)
Reprioritisation Across Years to Meet Cost Pressures	2012/13	-	51	-	-	-
Vote Realignment to Reflect changes in Cost Allocation and Reprioritisation	2012/13	(701)	(529)	(373)	(373)	(373)
Reprioritise Completion of Workplace Productivity Research and Demonstration Projects	2011/12	(572)	(572)	(572)	(572)	(572)
Workplace Productivity - High Performance Work Initiative	2010/11	1,000	1,000	1,000	1,000	1,000
New Zealand Productivity Commission	2010/11	(350)	(350)	(350)	(350)	(350)
Policy Advice Reprioritised	2010/11	(310)	(310)	(310)	(310)	(310)
Free Trade Agreements	2010/11	310	310	310	310	310

Reasons for Change in Appropriation

This appropriation has been established as a result of the 2013 amendments.

Conditions on Use of Appropriation

Reference	Conditions
New Zealand's membership obligations to the International Labour Organisation (ILO)	By being a member of the ILO, New Zealand is required to fulfil obligations including: reporting, tripartite consultation and attendance by a tripartite delegation to the annual ILO Conference.
New Zealand's trade labour agreement obligations	New Zealand is committed to commencing negotiations for new, and implementing obligations from existing, free trade agreements.