

STATEMENT OF MANAGEMENT RESPONSIBILITY

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Chief Executive of the Department of Labour, for the preparation of the Department's financial statements and the judgements made in the process of producing those statements.

I have the responsibility of establishing and maintaining, and I have established and maintained, a system of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Department for the year ended 30 June 2005.



James Buwalda
Secretary for Labour

30 SEPTEMBER 2005



Countersigned by:

Tina Cornelius
Director, Finance

30 SEPTEMBER 2005

AUDIT REPORT

To the readers of the Department of Labour's Financial Statements for the year ended 30 June 2005



The Auditor-General is the auditor of the Department of Labour (the Department). The Auditor-General has appointed me, H C Lim, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Department, on his behalf, for the year ended 30 June 2005.

Unqualified opinion

In our opinion the financial statements of the Department on pages 58 to 150:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Department's financial position as at 30 June 2005;
 - the results of its operations and cash flows for the year ended on that date;
 - its service performance achievements measured against the performance targets adopted for the year ended on that date; and
 - the assets, liabilities, revenues, expenses, contingencies, commitments and trust monies managed by the Department on behalf of the Crown for the year ended 30 June 2005.

The audit was completed on 30 September 2005, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of

the Chief Executive and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;

- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Chief Executive;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Chief Executive and the Auditor

The Chief Executive is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Department as at 30 June 2005. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. In addition, they must fairly reflect the assets, liabilities, revenues,

expenses, contingencies, commitments and trust monies managed by the Department on behalf of the Crown for the year ended 30 June 2005. The Chief Executive's responsibilities arise from the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

In addition to the audit, we have entered into the following assurance-related engagements that are compatible with those independence requirements:

- a review of quality improvements within the New Zealand Immigration Service;
- quality assurance review of an information technology project; and
- a review of three Community Employment Group grant funded projects carried out by the Department's internal auditors.

Other than the audit, and the above engagements, we have no relationship with or interests in the Department.

H C Lim Audit New Zealand
ON BEHALF OF THE AUDITOR-GENERAL
WELLINGTON, NEW ZEALAND



STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Performance Reporting

This section provides detailed information about the specific outputs provided and activities undertaken during 2004/05 that contributed to the Department's outcomes.

These outcomes were those set out in the Department's 2004/05 Statement of Intent. The Department's outcomes were reviewed during the year, with revised outcomes included in the 2005/06 Statement of Intent. See page 47 for a more detailed explanation of this change.

Similar outputs are grouped into *output classes* within each of the four Votes: Labour, Immigration, Employment and ACC.

The outputs within each Vote and output class contributed to one of the four intermediate outcomes the Department sought to achieve during 2004/05:

- Workplace – People with high-quality work in productive workplaces.
- Workforce – More people participating in the skilled workforce and their communities.
- Work opportunities – More high-quality work opportunities.
- International influence – More international influence on global labour and security issues and institutions.

There is no simple one-to-one relationship between the Votes and the intermediate outcomes. Each Vote and output class may have contributed to more than one intermediate outcome:

- *Vote: Labour* activities were most strongly linked to the outcome of *People with high-quality work in productive workplaces* but also contributed to the other three outcomes.
- *Vote: Immigration* activities contributed to all four outcomes.
- *Vote: Employment* activities contributed to the outcomes of *More people participating in the skilled workforce and their communities*, *More high-quality work opportunities*, and *People with high-quality work in productive workplaces*.
- *Vote: ACC* activities were strongly linked to the outcome of *People with high-quality work in productive workplaces* but also contributed to *More people participating in the skilled workforce and their communities*.

Performance against this year's outcomes was assessed using a range of measures and indicators, including:

- *environmental indicators* to understand and monitor progress towards achieving our intermediate outcomes
- *results measures* to assess the Department's performance in delivering its activities and the contribution of these activities to our intermediate outcomes
- *activity information* to monitor the scale of the Department's activities.

Environmental indicators are contained in the front section of this report. The result measures and activity information are included in this section.

VOTE: LABOUR

Vote: Labour | Summary Financial Performance

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ¹ \$000	VARIANCE FAV/(UNFAV) \$000
REVENUE CROWN (GST EXCL)			
Policy advice – Labour	12,575	12,864	(289)
International services	513	513	-
Services to promote and support fair and productive employment relationships	22,114	22,114	-
Services to promote and support safe and healthy people and workplaces	25,368	25,368	-
Services to promote and support the safe management of hazardous substances in the workplace and amusement devices	1,794	1,794	-
Sub total	62,364	62,653	(289)
REVENUE DEPARTMENT (GST EXCL)			
Policy advice – Labour	20	26	(6)
International services	4	5	(1)
Services to promote and support fair and productive employment relationships	111	76	35
Services to promote and support safe and healthy people and workplaces	147	147	-
Services to promote and support the safe management of hazardous substances in the workplace and amusement devices	8	8	-
Sub total	290	262	28
REVENUE OTHER (GST EXCL)			
Policy advice – Labour	97	194	(97)
Services to promote and support fair and productive employment relationships	164	179	(15)
Services to promote and support safe and healthy people and workplaces	21	300	(279)
Services to promote and support the safe management of hazardous substances in the workplace and amusement devices	1,502	1,774	(272)
Sub total	1,784	2,447	(663)
TOTAL	64,438	65,362	(924)

1. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ² \$000	VARIANCE FAV/(UNFAV) \$000
DEPARTMENTAL OUTPUT CLASSES (GST EXCL)			
Policy advice – Labour	10,417	13,084	2,667
International services	474	518	44
Services to promote and support fair and productive employment relationships	19,864	22,369	2,505
Services to promote and support safe and healthy people and workplaces	24,208	25,815	1,607
Services to promote and support the safe management of hazardous substances in the workplace and amusement devices	3,216	3,576	360
TOTAL	58,179	65,362	7,183
NON-DEPARTMENTAL REVENUE (GST EXCL)			
Employment Court, Employment Relations Authority and Employment Tribunal fees	215	214	1
Recovery of Higher Salaries Commission costs of setting local authority members' remuneration	238	250	(12)
Health and Safety in Employment Levy	31,843	29,067	2,776
OSH fees and licences	30	33	(3)
Infringement notice fines	39	247	(208)
Contestable Fund recoveries	81	59	22
TOTAL	32,446	29,870	2,576
OUTPUT CLASSES SUPPLIED BY OTHER PARTIES (GST INCL WHERE APPLICABLE)			
Employment Relations Education Contestable Fund	1,809	3,440	1,631
Health and Safety in Employment Levy – Collection services	978	978	-
Pay and Employment Equity Contestable Fund	126	1,000	874
Sub total	2,913	5,418	2,505
OTHER EXPENSES TO BE INCURRED BY THE CROWN (GST INCL WHERE APPLICABLE)			
Employment Court Judges' salaries and allowances	433	433	-
Employment Relations Authority members' salaries and allowances	2,566	2,736	170
International Labour Organisation	999	1,400	401
Joint EEO Trust	1,061	1,061	-
New Zealand Industrial Relations Foundation	15	15	-
Sub total	5,074	5,645	571
TOTAL	7,987	11,063	3,076

2. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

VOTE: LABOUR I Output Class – Policy Advice

DESCRIPTION

This output class involves the provision of policy advice, research on and evaluation of the labour market and workplace issues, ministerial servicing, and administrative and advisory support to the National Advisory Council on the Employment of Women (NACEW) and the National Occupational Health and Safety Advisory Committee (NOHSAC).

This output class contributes to the Department's intermediate outcome of *People with high-quality work in productive workplaces*. It does this by setting minimum workplace standards and defining excellent workplace practices, increasing our understanding and providing evidence of the link between excellent workplace practices and improvements in workplace productivity, and assessing the impact of the Department's activities on the outcome sought. This output class also contributes to *More high-quality work*

opportunities by supporting NACEW, which aims to improve employment opportunities for women.

ACTIVITIES

- providing policy advice on workplace best practice, regulation, issues, gaps and interventions to support the Government's labour market, employment relations, and workplace health and safety goals
- conducting research and evaluation to understand trends in the labour market, international developments, identify issues and gaps and assess the effectiveness of the Department's interventions
- administrative, advisory and research services to NACEW
- administrative support for NOHSAC
- ministerial servicing.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The Minister is satisfied with the quality of the policy advice provided by the Department.³</p>	<p>The Department sought feedback from the Minister on the quality of policy advice through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the quality of the policy advice provided by the Department.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The policy advice process and advice provided is assessed as good quality through external and internal review of specific projects.</p>	<p>This review did not proceed due to staff vacancies and competing work priorities.</p>
<p>The Minister is satisfied with the quality of ministerial servicing provided by the Department.</p>	<p>The Department sought feedback from the Minister on the quality of ministerial servicing through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the service provided by the Department. The Minister also noted the servicing of cabinet papers had improved.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The chair and members of NACEW and NOHSAC are satisfied with the quality of support services provided by the Department.</p>	<p>The Chair and members of NACEW completed an annual survey. NACEW members reported a reasonable level of satisfaction with the services provided. Areas for improvement identified include the provision of good background advice, assistance with submissions and budget and monitoring information. These areas will be addressed over the coming year with increased executive and policy support for NACEW.</p> <p>This year, two surveys were completed by the Chair of NOHSAC, one for the July to December 2004 period and one for the January to June 2005 period. In both, the Chair was “very satisfied” with the services provided by the NOHSAC Secretariat.</p>
Activity Information	
<p>Policy advice and ministerial servicing will be delivered as agreed with the Minister for Labour and as detailed in the Vote: Labour Output Plan for 2004/05.</p>	<p>Policy advice and ministerial servicing were delivered as agreed with the Minister for Labour and as detailed in the Vote: Labour Output Plan for 2004/05.</p>

3. This includes satisfaction that the policy advice provided meets the Department's quality standards for timeliness, analysis, consultation, style and presentation. High-quality advice also includes the provision of advice on emerging issues, a clearly defined issue or objective, identification and analysis of options, implementation plan, evaluation strategy and compliance cost assessment.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	12,575	9,775	12,864	97.7%
	Department	20	22	26	76.9%
	Other	97	194	194	50.0%
Total Revenue		12,692	9,991	13,084	97.0%
Total Expenses		10,417	9,991	13,084	79.6%
NET SURPLUS/(DEFICIT)		2,275	-	-	-

The increase in appropriation of \$3.093 million in the Supplementary Estimates was:

- to enable the delivery of the Workplace Productivity Agenda
- to support transitional costs relating to the Department of Labour restructure and initial capability requirements
- additional funding for the implementation of amendments to the Employment Relations Law Reform (ERLR) Bill.

The \$2.275 million actual surplus in revenue over expenditure is the result of:

- delays in policy programmes that have resulted in \$1.5 million requested "in principle" transfer from 2004/05 to 2005/06
- a shortage of policy analysts that resulted in less or later recruitment of additional staff.

VOTE: LABOUR | Output Class – International Services

DESCRIPTION

This output class involves managing relationships, providing or organising representation at international and local forums and co-ordinating reporting for international organisations to promote New Zealand's interests in global labour issues.

This output class contributes predominantly to the intermediate outcome of *Increased international influence on global issues and institutions* by:

- ensuring that New Zealand meets, and is seen to meet, its international obligations
- participating in and influencing international labour institutions
- ensuring high-quality representation in overseas meetings on labour issues and in bilateral trade negotiations
- ensuring consistency, efficiency and co-ordination of the Department's input to international labour forums and issues.

This output class also contributes to the other three intermediate outcomes by facilitating the provision of international best practice information for policy and operational purposes.

ACTIVITIES

- providing advice as required to the Minister on relevant international labour issues
- assessing the impact of international developments on New Zealand's labour interests
- providing input to the labour aspects of New Zealand's trade negotiations
- co-ordinating New Zealand's input to the APEC Labour and Social Protection Network of the Human Resources and Development Network Group
- co-ordinating inter-departmental advice to Ministers on the implications of ratifying International Labour Organisation (ILO) Conventions
- providing regular reports to the ILO about New Zealand's compliance in law, policy and practice to the ILO Conventions
- consulting with designated representative organisations of employers and workers on all reports submitted to the ILO and other related matters
- reporting to Parliament on the texts of newly adopted ILO standards.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The Minister is satisfied with the quality of the policy advice provided by the Department.</p>	<p>The Department sought feedback from the Minister on the quality of policy advice through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the quality of the policy advice provided by the Department.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The Department will participate in or assist others to participate in multilateral initiatives to promote New Zealand’s international labour related interests and will report on progress quarterly.</p>	<p>We actively participated in the three International Labour Organisation (ILO) Governing Body meetings, in November 2004, March 2005 and June 2005. We also attended the annual ILO Conference in June 2005 and contributed to debate on the ILO’s strategic direction and planning processes and its programme and budget proposals. New Zealand’s position was also actively represented on other matters formally considered by the ILO as a body, including the elimination of forced labour, youth employment and the adoption of occupational health and safety standards.</p> <p>New Zealand’s interests in decent work were represented at the second ILO sub-regional tripartite forum on Decent Work in South East Asia and the Pacific, in Melbourne in April 2005.</p> <p>There was also a continued focus on co-ordinating New Zealand’s contribution to the APEC Labour and Social Protection Network of Human Resources and Development Working Group (HRDWG), which focuses on human capability issues across the labour market, through participation in their Annual Meeting in Thailand in June.</p> <p>Department representatives also participated in the successful negotiation of the labour components of two Free Trade Agreements. These were the Arrangement on Labour between New Zealand and the Kingdom of Thailand (April 2005) and the Memorandum of Understanding on Labour Co-operation between Brunei, Chile, New Zealand and Singapore (June 2005). Both documents fulfilled New Zealand’s policy objectives of better integrating labour interests with trade agreements.</p> <p>Participation in multilateral initiatives was reported quarterly.</p>
<p>The level of international interest in New Zealand’s labour law, policy and practice as examples of best practice demonstrated through formal requests for bilateral participation, assistance or advice will be reported on quarterly.</p>	<p>The Department hosted 16 visits of international delegations during the year, as reported quarterly.</p>

PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Activity Information

The Department will provide reporting as required in accordance with ILO constitutional requirements.

Throughout the year, the Department continued to co-ordinate ILO reporting internally and with other government departments, Business NZ and the NZ Council of Trade Unions. This included the preparation and submission of 13 reports to the ILO on New Zealand's compliance in law, policy and practice with ILO standards and responding to six specific ILO questionnaires and inquiries from the ILO, all in accordance with ILO constitutional requirements.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:				
	Crown	513	407	513
	Department	4	16	5
				100.0%
				80.0%
Total Revenue		517	423	518
Total Expenses		474	423	518
NET SURPLUS/(DEFICIT)		43	-	-

The increase in appropriation of \$0.095 million in the Supplementary Estimates was:

- for travel relating to the Doha Development Round and Closer Economic Partnership (CEP)/Free Trade Agreement (FTA) negotiations
- for travel relating to the negotiation of the labour components of New Zealand's FTAs and implementation of co-operative activities under the Thailand–New Zealand CEP.

The \$0.043 million actual surplus in revenue over expenditure is the result of savings made during the year.

VOTE: LABOUR I Output Class – Services to Promote and Support Fair and Productive Employment Relationships

DESCRIPTION

This output class provides services to promote and support fair and productive employment relationships.

This output class contributes to the Department's intermediate outcome of *People with high-quality work in productive workplaces*. Improved employment relationship practices in workplaces contribute to employees and employers achieving sustainable productivity gains.

ACTIVITIES

- providing information and tools about good employment practices through the contact centre, website, publications, seminars and workplace visits to assist employers and employees to prevent or reduce the

frequency and impact of employment relationship problems

- providing mediation services to assist parties to resolve their employment relationship issues
- investigating complaints received by Labour Inspectors and enforcing minimum standards
- providing support services to the Employment Relations Authority and Employment Court
- administering the Employment Relations Education Fund for the development and running of training courses to improve employees' and employers' understanding of employment relations.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
The percentage of workplaces making improvements to workplace practices following a Department intervention.	Initial investigation was undertaken to develop workplace environmental indicators. Staff vacancies and competing work priorities during the year meant we were not able to develop systems to monitor this measure. This work will now be done during 2005/06.
The percentage of customers that are satisfied with the services, information and tools provided by the Department.	Initial scoping work was undertaken to develop a customer satisfaction survey. Staff vacancies and competing work priorities during the year meant a survey could not be completed. This will now be undertaken in 2005/06.
Increase the number of workplaces/workplace participants seeking assistance and information from the Department to: <ul style="list-style-type: none"> • 230,000 website visits • 180,000–200,000 contact centre calls. 	The Workplace Employment Relations website received 408,395 visits during the year, 77% above forecast and 85% more than the 290,106 visits last year. A total of 236,967 calls were answered, compared with 219,933 last year. Legislative changes during the year led to these higher than expected contact volumes.
80% of the expected 9,000–10,000 mediations undertaken will result in employment relationship problems being resolved within three months.	Of the 9,736 mediations undertaken, 93% resulted in employment relationship problems being resolved within three months.

PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Result Measures

The Chief of the Employment Relations Authority, Chief Judge of the Employment Court and Remuneration Authority Chair are satisfied with the support services provided by the Department.

The Chief of the Employment Relations Authority rated performance and satisfaction at 4 on a 1 to 5 scale, with 5 being the highest, in both the December 2004 and June 2005 surveys.

The Chair of the Remuneration Authority rated satisfaction at 4 on a 1 to 5 scale, with 5 being the highest, in the December survey. A rating of 5 out of 5 was given in the June 2005 survey.

Satisfaction surveys from the Chief Judge of the Employment Court are no longer applicable. As from 1 December 2004, responsibility for administrative support for the Employment Court transferred from the Department to the Ministry of Justice.

25% of workplaces will be contacted by an inspector within six months of the completion of an investigation to assess on-going compliance and to offer further best practice advice and assistance.

Our system reports that 10% of workplaces were contacted within six months of completion of investigation. Other evidence shows that actual contacts were higher than this. Our information system is being upgraded to provide more accurate reporting of contacts for the coming year. In addition, performance in this area was affected by staff vacancies and competing priorities.

Less than 5% of the expected 180,000–200,000 calls will be abandoned.

An average of 7% of calls to the Information Centre were abandoned. Legislative changes during the year led to greater than forecast enquiries to the Information Centre. The Centre answered 18% more calls than anticipated, and the increased demand has resulted in a higher than expected number of abandoned calls.

95% of the expected 1,600–2,000 formal complaints will have investigations commenced within one month of receipt.

We received 1,802 formal complaints this year. In 96% of cases, investigations began within one month.

All cases agreed or classified between the parties and the Department as urgent mediation services will have assistance provided within 15 days.

Of the cases received that were classified as urgent, 83% received mediation assistance within 15 days.

Achievement of this performance standard is dependent on the availability of all parties for mediation.

PERFORMANCE STANDARD**PERFORMANCE TO 30 JUNE 2005****Activity Information**

The Department expects to:

- make 500 proactive visits to employers in targeted industries
- provide 150 information talks, seminars, or presentations to targeted employers and employees
- investigate 400 applications for minimum wage exemptions
- refer or direct around 1,200 cases from the Employment Relations Authority to mediation services
- receive and process 10 applications for union registration.

During 2004/05:

- We visited 167 employers in targeted industries, compared with 516 last year and 148 visits in the previous year. The decision to focus on other priority areas, including issues around the fishing industry and migrant employers, led to this variance.
- This year, our Information Officers, Labour Inspectors and Mediators gave 258 information talks, seminars or presentations to targeted industries, 72% more than targeted for the year. There were 417 last year and 457 in the previous year.
- We investigated 155 applications for minimum wage exemptions in sheltered employment this year. It is estimated that a further 130 minimum wage exemptions in open employment were also investigated, however reporting systems have yet to be instigated to monitor this activity. The primary focus this year was to engage with sheltered workshops over minimum wage exemptions. Initially the Department underestimated the intensive groundwork required to encourage organisations to enter into negotiations over exemptions. Although our target was not achieved, the experience gained will be extremely valuable. We are maintaining contact with the organisations that are reluctant to engage and investigating whether a slight procedural variation might encourage more groups to move to individual exemptions. In the coming year, we will also expand our monitoring system to include information about minimum wage exemptions investigated in open employment.
- 1,307 cases were referred from the Employment Relations Authority to mediation services, 8% more than expected and 40% higher than the 931 last year.
- Eight applications for union registration were received and processed, compared with six applications last year and 14 in the previous year.

The Employment Relations Authority expects to receive and process up to 2,100 applications for problem resolution.

A total of 2,305 applications were received and processed by the Authority and 2,409 cases were completed. This was 14% more than forecast and 3% more than the 2,221 received and processed last year.

The Employment Court expects to:

- receive and process 200 applications
- schedule and service between 150 and 250 hearings
- produce headnotes for 200 judgements.

During the period 1 July to 31 December 2004, the Employment Court:

- received and processed 116 applications
- scheduled 136 and serviced 71 hearings
- provided headnotes for 551 judgements.

As from 1 December 2004, responsibility for administrative support for the Employment Court transferred from the Department to the Ministry of Justice. Management of the transition required significant work from the Department. The transfer was achieved without disruption to the Court's business and within the expected timeframes.

The Department continued to provide some support services to the Court to the end of the financial year, in areas where the Ministry was unable to do so. An agreement between the two agencies provides for this, and sets out timeframes for the Ministry to take full responsibility for servicing the Court.

PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Activity Information

The Remuneration Review Authority expects to produce between 200 and 250 determinations including for local authorities and community boards.

The Remuneration Authority issued 75 determinations, including seven covering multiple positions (one of which covered 558 positions). This compares with 63 determinations last year, and 65 the previous year.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	22,114	22,452	22,114	100.0%
	Department	111	104	76	146.0%
	Other	164	180	179	91.6%
Total Revenue		22,389	22,736	22,369	100.1%
Total Expenses		19,864	22,736	22,369	88.8%
NET SURPLUS/(DEFICIT)		2,525	-	-	-

The decrease in appropriation of \$0.367 million in the Supplementary Estimates was:

- to establish a Partnership Resource Centre to promote workplace innovation through constructive union/employer relationships, to cover the Public Service, State sector, local government and private sector organisations and unions
- to support transitional costs relating to the Department of Labour restructure and initial capability requirements

offset by:

- a decrease of funding to transfer the administrative support provided to the Employment Court from the Department of Labour to the Ministry of Justice

- a decrease in funding to implement amendments to the Employment Relations Law Reform (ERLR) Bill.

The \$2.525 million actual surplus in revenue over expenditure is the result of lower than forecast expenditure in the newly created Small Business Support Information Unit and the new Partnership Resource Centre. An "in principle" expense transfer of \$0.300 million was requested for the Partnership Resource Centre.

VOTE: LABOUR I Output Class – Services to Promote and Support Safe and Healthy People and Workplaces

DESCRIPTION

This output class involves the provision of services that promote and support health and safety in workplaces.

This output class contributes to the Department's intermediate outcome of *People with high-quality work in productive workplaces*. Improved levels of health and safety practice in the workplace support the development of high-quality work for people and create high-quality workplace environments, which contribute to employees and employers achieving sustainable productivity gains.

It also contributes to the immediate outcomes *More people participating in the skilled workforce and their communities* and *More high-quality work opportunities* by improving the quality of workplace practices and conditions. This increases participation and skills in the workforce and improves workplace productivity, which leads to the creation of additional job opportunities.

The Department's activities focus on specific hazards and issues, industry sectors, and occupational activities and processes that are associated with the highest rates of illness or injury, or that have a potential for catastrophic failure. The priority areas⁴ are targeted, with intervention strategies aimed at bringing about significant improvements in the medium to longer term.

ACTIVITIES

- influencing societal attitudes about the benefits of good workplace health and safety practice
- raising awareness of workplace participants'⁵ rights and obligations under the Health and Safety in Employment Act 1992 (the HSE Act)
- leading the development of nationwide workplace health and safety initiatives across government and industry sectors and working collaboratively with industry sector organisations and other agencies to develop and promote workplace health and safety
- providing information and advice through the contact centre, website, presentations, seminars, consultations and workplace information visits to help individuals, workplaces, and industry sectors understand the legislation and apply best practice health and safety
- assessing workplace health and safety performance and responding to and investigating notifications, complaints and incidents
- identifying breaches and taking appropriate compliance or enforcement action to reduce purposeful or serious breaches of minimum standards under the HSE Act.

4. Priority areas for 2004/05 included: clean air, manual handling, stress and fatigue, hazardous substances, extractives, forestry, sawmilling, agriculture, construction, noise, asbestos, violence in the workplace, employee participation.

5. Workplace participants include employers, employees, principals, self-employed, volunteers, and other participants covered by the HSE Act.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
75% of workplaces will, after six months, have satisfactorily addressed the formal compliance or enforcement requirements identified at the time of a first compliance assessment visit.	Of the 2,689 workplaces that received a compliance assessment, 94% had satisfactorily addressed the formal compliance or enforcement requirements within six months of the first assessment visit.
The percentage of customers satisfied with the services, information and tools provided by the Department. ⁶	Initial scoping work was undertaken to develop a customer satisfaction survey. Staff vacancies and competing work priorities during the year meant a survey could not be completed. This will now be undertaken in 2005/06.
Increase the number of workplaces/workplace participants seeking assistance and information from the Department of Labour to: <ul style="list-style-type: none"> • 60,000–80,000 website visits • 4,000–5,000 contact centre calls. 	A total of 309,808 website visits were recorded during the year, an average of 77,452 website visits each quarter. The contact centre received and answered 8,036 calls.
The Department targets interventions at identified priority areas. We will ensure that: <ul style="list-style-type: none"> • 90% of presentations, seminars, consultations and workplace information visits provided by the Department will target identified priority areas • 90% of compliance assessments target identified priority areas. 	Of the Department's interventions during the year: <ul style="list-style-type: none"> • 93% of information visits and presentations were to targeted priority areas • 99% of compliance assessments were to targeted priority areas.
The percentage of workplaces in targeted areas that demonstrate a system for employee participation at the time of the first visit of a compliance assessment. ⁷	A survey of a sample of workplaces visited under our priority area programmes (430) showed that 88% have a system for employee participation where required by the Act. After departmental advice and assistance, the rate increased to 97%. Data from this initial survey will be used to plan follow-up fieldwork in the coming year.

6. This performance measure was a new measure for the Department in 2004/05. Performance during this year has been used to establish a performance target for 2005/06.

7. Where required by the HSE Act. This performance measure was also a new measure for the Department in 2004/05. Performance during this year has been used to establish a performance target for 2005/06.

PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Activity Information

The Department expects to:

- undertake 7,000–7,500 investigations in response to 10,000–11,000 health and safety complaints, incidents, serious harm notifications and fatalities
- provide 6,000–7,000 presentations, seminars, consultations and workplace information visits
- complete 4,750–5,750 compliance assessments.

This year, the Department:

- opened 6,299 investigations in response to 10,818 complaints, incidents, notifications and fatalities. Overall, activity level is as forecast, except that use of the limited response option was higher than projected, due to a deliberate policy of focusing on events where we were most likely to achieve or influence a positive health and safety outcome
- provided 8,936 visits and 610 presentations
- completed 8,492 compliance assessments.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
<i>(Figures are GST exclusive)</i>				
Revenue:				
Crown	25,368	24,725	25,368	100.0%
Department	147	466	147	100.0%
Other	21	300	300	7.0%
Total Revenue	25,536	25,491	25,815	98.9%
Total Expenses	24,208	25,491	25,815	93.8%
NET SURPLUS/(DEFICIT)	1,328	-	-	-

The increase in appropriation of \$0.324 million in the Supplementary Estimates was:

- to support transitional costs relating to the Department of Labour restructure and initial capability requirements

partially offset by:

- savings due to the EnergySafe – enactment of the Energy Safety Bill not occurring before 30 June 2005.

The \$1.328 million actual surplus in revenue over expenditure is the result of vacancies and delays in setting up the Auckland Contact Centre.

VOTE: LABOUR | Output Class – Services to Promote and Support the Safe Management of Hazardous Substances in the Workplace and Amusement Devices

DESCRIPTION

This output class provides services that promote and support the safe management of hazardous substances in the workplace and amusement devices.

This output class contributes to the Department's intermediate outcome of *People with high-quality work in productive workplaces*. Improved levels of health and safety practice, through the management of hazardous substances in the workplace, support the development of high-quality work for people and create high-quality workplace environments, which contribute to employees and employers achieving sustainable productivity gains.

It also contributes to the immediate outcomes *More people participating in the skilled workforce and their communities* and *More high-quality work opportunities* by improving the quality of the workplace practices and conditions. This increases participation and skills in the workforce and improves workplace productivity, which leads to the creation of additional job opportunities.

The Department's activities are targeted at specific hazards and issues, industry sectors, and occupational activities and processes that are associated with the highest rates of illness and injury, or that have a potential for catastrophic failure. The priority areas are targeted with intervention strategies aimed at bringing about significant improvements in the medium to longer term.

There is a close relationship between this output class and the previous one as they are both focused on enabling people to take active responsibility for achieving safe and healthy workplace environments. Activities within this output class are sometimes carried out at the same time as activities under the previous output class.

ACTIVITIES

- influencing societal attitudes about the benefits of good workplace health and safety practice
- raising awareness of workplace participants⁸ rights and obligations under the Hazardous Substances and New Organisms Act 1996 (the HSNO Act)
- collaborating with industry sector organisations and agencies to develop and promote safe management of hazardous substances
- providing information and advice through the website, presentations, seminars, consultations and workplace information visits to help individuals, workplaces, and industry sectors
- assessing the management of hazardous substances in the workplace and responding to and investigating notifications, complaints and incidents
- identifying breaches and taking appropriate compliance or enforcement action to reduce purposeful or serious breaches of minimum standards under the HSNO Act
- declaring emergencies relating to hazardous substances in workplaces and ensuring they are managed satisfactorily
- providing advice to the Environmental Risk Management Authority (ERMA) on the transitional provisions of the HSNO Act and to the ERMA and the Ministry for the Environment on legislative and compliance issues.

8. Workplace participants include employers, employees, principals, self-employed, volunteers, and other participants covered by the HSE Act.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures⁹	
Increase the number of workplaces/workplace participants seeking assistance and information from the Department of Labour to 60,000–80,000 website visits.	A total of 309,808 website visits were recorded during the year, an average of 77,452 website visits each quarter.
The percentage of customers that are satisfied with the services, information and tools provided by the Department.	Initial scoping work was undertaken to develop a customer satisfaction survey. Staff vacancies and competing work priorities during the year meant a survey could not be completed. This will now be undertaken in 2005/06.
The Environmental Risk Management Authority is satisfied with the quality of the support services provided by the Department.	The Environmental Risk Management Authority (ERMA) has yet to conduct the required audit. The number of delegations under audit has reduced substantially with the continuing transfer of substances to the HSNO Act from the transitional provisions.

Activity Information

The Department expects, under the Hazardous Substances and New Organisms Act 1996, to:

- undertake 50–75 investigations in response to 75–100 health and safety complaints, incidents, serious harm notifications and fatalities
- provide 400–750 presentations, seminars, consultations and workplace information visits
- complete 4,000–6,000 compliance assessments.

This year, the Department;

- opened 180 HSNO investigations in response to 206 complaints, incidents, notifications and fatalities. This is a higher level of activity than forecast and exceeds the 87 investigations carried out last year and 23 investigations the previous year
- provided 7,341 consultations and workplace information visits, of which 5,310 were by telephone. Information activity levels were much higher than originally planned (see note below).
- completed 3,904 HSNO compliance assessments, including 234 dangerous goods approvals.

At ERMA's request, the amount of assessment work originally planned for the first half of the year was reduced in favour of increasing the amount of information provision on HSNO requirements. Dangerous goods approvals are demand driven; the current level of demand is much lower than forecast.

9. In many cases the Department has undertaken work to manage hazardous substances at the same time as undertaking activities under the HSE Act. Given this, it has not always been possible to separate activities under this output class from those delivered in the *Services to promote and support safe and healthy people and workplaces* output class, and some of the reporting against these measures covers both output classes.

The Department expects to register 175–225 amusement devices under the Amusement Devices Regulations 1978 (made under the Machinery Act 1950).

This year, 220 amusement devices were re-registered or registered, compared with 185 last year and 173 the previous year.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL	MAIN	SUPP.	ACTUAL AS
	\$000	ESTIMATES	ESTIMATES	% OF SUPP. ESTIMATES

(Figures are GST exclusive)

Revenue:	Crown	1,794	1,752	1,794	100.0%
	Department	8	-	8	100.0%
	Other	1,502	1,344	1,774	84.7%
Total Revenue		3,304	3,096	3,576	92.4%
Total Expenses		3,216	3,096	3,576	89.9%
NET SURPLUS/(DEFICIT)		88	-	-	-

The increase in appropriation of \$0.480 million in the Supplementary Estimates was to fund for hazardous substances strategy enforcement.

The surplus for the year resulted from reduced expenditure in light of lower third-party receipts.

VOTE: IMMIGRATION

VOTE: IMMIGRATION I Summary Financial Performance

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ¹⁰ \$000	VARIANCE FAV/(UNFAV) \$000
REVENUE CROWN (GST EXCL)			
Services to increase the capacity of New Zealand through immigration	42,991	42,991	-
Services to position New Zealand as an international citizen with immigration-related interest and obligations	16,967	16,967	-
Sub total	59,958	59,958	-
REVENUE DEPARTMENT (GST EXCL)			
Services to increase the capacity of New Zealand through immigration	283	538	(255)
Services to position New Zealand as an international citizen with immigration-related interest and obligations	1,110	919	191
Sub total	1,393	1,457	(64)
REVENUE OTHER (GST EXCL)			
Services to Increase the Capacity of New Zealand through Immigration	75,106	76,979	(1873)
Services to Position New Zealand as an International Citizen with immigration-related interest and obligations	651	681	(30)
Sub total	75,757	77,660	(1903)
Interest – non NZDMO (GST n/a)	71	-	71
TOTAL (INCL INTEREST)	137,179	139,075	(1,896)
DEPARTMENTAL OUTPUT CLASSES (GST EXCL)			
Services to increase the capacity of New Zealand through immigration	123,520	131,444	7,924
Services to position New Zealand as an international citizen with immigration-related interest and obligations	17,195	18,552	1,357
TOTAL	140,715	149,996	9,281

10. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ¹¹ \$000	VARIANCE FAV/(UNFAV) \$000
CROWN REVENUE (GST EXCL)			
Migrant Levy	10,148	10,550	(402)
Other receipts	1,344	-	1,344
TOTAL	11,492	10,550	942

11. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

VOTE: IMMIGRATION I Output Class – Services to Increase the Capacity of New Zealand through Immigration

DESCRIPTION

This output class provides a range of services aimed at increasing the capacity of New Zealand through the participation and contribution of migrants to New Zealand society and the economy.

This output class contributes to the Department's intermediate outcomes of:

- *People with high-quality work in productive workplaces* by ensuring temporary migrant workers have genuine work without displacing New Zealanders and that employers are aware of their obligations and opportunities with respect to migrant employees
- *More people participating in the skilled workforce and their communities* by understanding the needs and opportunities in New Zealand and facilitating skilled and family sponsored migrants to New Zealand to fulfil those opportunities, and by supporting them through the initial settlement process
- *More high-quality work opportunities* by facilitating the entry of visitors and students to New Zealand to contribute to tourism and international education industries. Business migrants (investors and entrepreneurs) create employment opportunities, and provide the investment to grow businesses in New Zealand.
- *More international influence on global labour and security issues and institutions* by meeting or exceeding international obligations and protecting New Zealand's interests in relation to international labour flows and related issues of trans-national crime and people smuggling. Enhancing border security systems contributes to the ability to influence security issues internationally.

The three objectives in this output class are:

- Skilled and inclusive communities
- Growing business and employment opportunities in New Zealand
- Adverse impacts of immigration minimised.

OBJECTIVE – SKILLED AND INCLUSIVE COMMUNITIES

Building the capacity of New Zealand through immigration means migrants participate in and contribute to New Zealand's economy and society. Matching new migrants with work opportunities that use their qualifications, skills and experience is important for positive settlement outcomes. Sound social and community support systems for new migrants and refugees also contribute to the ease of settlement and enable participation. The host community's attitude to migrants is important and needs to be welcoming and well informed if the benefits of immigration are to be realised.

ACTIVITIES

- providing advice on appropriate policy settings to attract and retain skilled migrants
- facilitating application and entry through visa and permit services and related marketing initiatives
- brokering of settlement information and settlement and related services, including provision of grants to third parties
- increasing awareness and understanding of the community about immigration policy and the benefits of immigration through targeted communication
- conducting research and evaluation about migrant labour market participation, migration trends and statistics
- working with other government departments, agencies and NGOs providing settlement or employment related services.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The Minister is satisfied with the quality of policy advice provided by the Department.¹²</p>	<p>The Department sought feedback from the Minister on the quality of policy advice through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the quality of the policy advice provided by the Department.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The policy process and advice provided is assessed as good through external and internal review of specific projects.</p>	<p>The development of policy advice follows a standard advice process with clear quality assurance procedures. All policy papers are reviewed internally and Cabinet papers are subjected to external agency review.</p> <p>The Immigration Student Policy Review commented positively on the quality of the Department's advice and process used. Substantial research reports were reviewed externally and by academic reviewers where appropriate. <i>Refugee Voices</i> was reviewed by two academics and by agencies on a steering group and received positive comment on the quality of the analysis and drafting.</p>
<p>At least 95% of those people approved residence under the Skilled stream overseas in the 2003/2004 year will arrive and take up residence in New Zealand by 30 June 2005.¹³</p>	<p>Of the 9,493 people issued a residence visa under the Skilled stream overseas this year, 89% (8,443) had arrived in New Zealand by 30 June 2005.</p> <p>There are many personal reasons for migrants delaying moving to New Zealand, and the achievement of the measure is not within the Department's direct control.</p>
<p>At least 75% of Skilled Migrant principal applicants will have relevant job offers.</p>	<p>Of the 8,321 Skilled Migrant principal applicants issued a residence permit or visa this year, 91% (7,533) had relevant job offers.</p>
<p>At least 75% of Skilled Migrant principal applicants will be in employment after three months of arrival (or approval if onshore).</p>	<p>Of the 488 Skilled Migrant principal applicants who returned surveys (a response rate of 49%), 97% (474) were in employment three months after approval onshore or arrival in New Zealand.</p> <p>Information for this measure is from the New Migrant Follow-up Survey developed as part of the Customised Service Strategy, the Department's long-term strategy for immigration services delivery. The anonymous survey is sent to all migrants (including Skilled Migrant Category migrants) over 16 years of age who receive customised service, three months after they take up residence.</p>

12. This includes satisfaction that the policy advice provided meets the Department's quality standards for timeliness, analysis, consultation, style and presentation. High-quality advice also includes the provision of advice on emerging issues, a clearly defined issue or objective, identification and analysis of options, implementation plan, evaluation strategy and compliance cost assessment.

13. This measure and the one below it provide information about the customised service initiative.

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
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Result Measures	
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<p>The Skilled, Family and International streams of the New Zealand Immigration Programme will be managed within their agreed levels, and at least 60% will be approved under Skilled stream categories.</p>	<p>Of the 48,815 people approved for residence this year:</p> <ul style="list-style-type: none"> • 29,826 (61%) were approved under the Skilled/Business stream (target 60%) • 13,949 (29%) were approved under the Family/Sponsored stream (target 30%) • 5,040 (10%) were approved under the International/Humanitarian stream (target 10%). <p>The above-target result for the Skilled/Business stream reflects the success of marketing initiatives, particularly to skilled workers in Britain.</p> <p>There were 45,000 places for the programme this year. A further 5,000 places were added at the Minister of Immigration's discretion.</p>
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<p>Appropriate services to facilitate effective settlement of migrants will be purchased and the type, relevance, and quality of service provided will be reported on quarterly.</p>	<p>Services to facilitate effective settlement of migrants purchased by the Department are largely done through Settlement Programme Contracts. These contracts fund community organisations to provide orientation and employment-related services and settlement assistance for migrants and refugees.</p> <p>At the beginning of the year, 31 one-year settlement programme contracts were in place. Reviews of the two milestone reports required from each provider during the year showed that all were meeting their contracted objectives and measures. We also evaluated settlement contracts and monitored via visits and meetings with service providers throughout the year.</p> <p>Five settlement programmes no longer met the New Zealand Settlement Strategy's redefined role and the providers were not re-contracted for the coming year. We worked with these providers to identify alternative funding sources or to assist with their programmes' wind-up process.</p> <p>This year we established the Settlement Secretariat to implement the New Zealand Settlement Strategy across central and local governments and communities. The Secretariat organised forums throughout the year, and funding was approved to establish a national network of migrant resource services, entitled Settlement Support Aotearoa New Zealand. The network will be developed incrementally across key settlement regions to support local responsiveness to settlement-related information needs of migrants, refugees and their families in their first two or three years in New Zealand. During the second half of the year, proposals were received from local lead agencies in ten areas and were approved for funding.</p>
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PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Activity Information

The Minister is satisfied with the quality of ministerial servicing provided by the Department.

The Department sought feedback from the Minister on the quality of ministerial servicing through six-monthly satisfaction surveys.

For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the ministerial servicing provided by the Department. The Minister also noted the servicing of cabinet papers had improved.

Results have not yet been received for the January–June survey.

The number of employers accredited and corresponding talent visas issued will be monitored.

This year, 437 employers were accredited, compared with 270 last year. Of these, 218 were newly accredited, and 219 were renewals.

1,427 talent visas were issued to accredited employers this year.

The number of residence decisions by stream will be monitored.

This year, 27,525 residence decisions were made, compared with 24,082 last year. Of these:

- 13,771 were made under the Skilled/Business stream
- 11,615 were made under the Family/Sponsored stream
- 2,139 were made under the International/Humanitarian stream.

The number of Expressions of Interest received, Invitations to Apply issued, and Skilled Migrant Category decisions made will be monitored.

This year:

- 20,377 new Expressions of Interest (ie, submitted to the selection pool for the first time, with payment) for the Skilled Migrant Category were received
- 16,505 Invitations to Apply were issued. The number of Invitations to Apply that were issued during the year may also relate to Expressions of Interest selected in the previous year (2003/04).
- 10,172 Skilled Migrant Category decisions were made.

The volume of Residence Review Board appeals will be monitored (approximately 500 appeals will be received).

This year, the Residence Review Board received 408 appeals, down 21% on last year. Of these, 404 appeals were referred to members for decision. Services in this area are demand driven.

418 appeals to the Residence Review Board were finalised. At 30 June 2005, there were 570 appeals on hand, 11% fewer than at the same date last year.

95% of visa and permit decisions will be decided in accordance with critical elements of Government policy.

Our monthly random sample of temporary permit and residence decisions made at each branch showed that 97% were in accordance with critical elements of Government policy.

Policy advice and ministerial servicing will be delivered as agreed with the Minister of Immigration and as detailed in the Vote: Immigration Output Plan for 2004/05.

Policy advice and ministerial servicing were delivered as agreed with the Minister of Immigration and as detailed in this year's Vote: Immigration Output Plan.

OBJECTIVE – GROWING BUSINESS AND EMPLOYMENT OPPORTUNITIES IN NEW ZEALAND

Providing skills, expertise and investment to generate business and employment opportunities increases New Zealand's capacity. Foreign exchange earnings are generated through trade and tourism as students and visitors to New Zealand participate in the economy. Increased investment in New Zealand by business migrants also benefits the economy as business opportunities, jobs and international linkages are created.

ACTIVITIES

- providing policy advice designed to deliver positive economic advantages for New Zealand through immigration
- providing visa and permit services for students and visitors including risk management and verification activities
- providing dedicated business migration services to facilitate business investment and assist with information on the New Zealand business environment
- liaising with other government departments and agencies such as the Ministry of Foreign Affairs and Trade, Tourism NZ, Trade NZ and the business sector
- providing research on and evaluation of the impacts on the business sector and the economy to inform the relative success of the interventions.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The proportion of work permits and talent visas granted in known skills shortage areas will increase compared to 2003/04.</p>	<p>This year, 32,902 work permits and talent visas that were subject to labour market tests were issued. Of the 32,445 cases where occupation information was given, 27% (8,602) were for occupations in known skill shortage areas, an increase from 23% in the previous year.</p>
<p>At least 75% of businesses established under the new Long-Term Business Category will be operating according to their business plan at the end of the nine-month renewal period.</p>	<p>During the year, 152 businesses established under the new Long-Term Business Category became eligible for their nine-month renewal assessment. Of these, 88% (135) were assessed as operating according to their business plan and granted a permit for the balance of three years.</p> <p>Three months have been allowed for renewal application processing time.</p>
<p>Initiatives will be undertaken to build and maintain positive relationships with educational institutions and tourism bodies and will be reported on quarterly.</p>	<p>Educational Institutions</p> <p>Students Online, an electronic permit processing system to renew student permits, was extended to selected private educational establishments and the secondary school sector. By the end of the year, over 20 institutions were using the system. A presentation on Students Online was made at the Education New Zealand Conference, and also at the International Education Association Conference, where we answered questions relating to student policy.</p> <p>We worked closely with Tourism New Zealand, and New Zealand Trade and Enterprise to promote educational opportunities in New Zealand, including promotions to agents in various countries and promotion of the changes to student policy.</p> <p>Presentations were delivered to various educational institutes and groups, including Canterbury University, Education Tauranga, and the National Association of ESOL Home Tutors.</p> <p>We also participated in the New Zealand Russia Education Network roadshow tour of Russia.</p>
	<p>Tourism Bodies</p> <p>We worked closely with Tourism New Zealand to prepare for this year's expansion of the Chinese government's Approved Destination Status (ADS) programme. New Zealand has ADS status, which confers Chinese government approval on certain travel agents to market group tours to New Zealand. We appointed a co-ordinator to ensure a consistent approach to all ADS agents.</p> <p>We held meetings with the tourism industry to discuss management of labour shortages, resulting in agreement to develop a medium-term strategic analysis of labour recruitment needs and solutions.</p> <p>Overseas branch staff also assisted Tourism New Zealand at events promoting New Zealand as a tourist destination.</p>

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
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Result Measures	
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<p>The percentage of customers that are satisfied with the quality of service provided by the Department.</p>	<p>The results (on a scale of 1-5, with 5 being the most positive) of our annual global customer satisfaction survey of residence applicants, temporary/RRV applicants and consultants were:</p> <ul style="list-style-type: none"> • Overall customer satisfaction: 4.1 (3.9 last year) • Whether they would speak favourably or unfavourably about the Department: 3.9 (not specifically measured last year) • Whether the Department helped applicants come to New Zealand: 3.9 (3.7 last year) • How the Department compares to other government departments they have dealt with: 3.9 (3.9 last year). <p>All results were well within the upper quartile (top 25%) of 3.75 or above.</p>
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Activity Information	
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<p>A breakdown of the number and timeliness of temporary visa and permit decision-making for major categories will be reported (approximately 400,000 visitor, student and work application decisions will be made).</p>	<p>Of the 385,862 temporary visa and permit decisions made this year:</p> <ul style="list-style-type: none"> • 163,706 were for visitor applications • 108,437 were for student applications • 113,719 were for work applications. <p>Visitor decisions were below forecast for the year in Auckland, Asia/Middle East and Europe/America/Africa, and overall below forecast by 6%.</p> <p>Student decisions were well below forecast in all markets except the Pacific, and overall below by 9%.</p> <p>Temporary work visa and permit decisions were above forecast for all markets except Europe/America/Africa (1% below), and above overall by 8%. The necessity to grant more temporary work visa and permits was due to New Zealand's tight labour market and skill shortages in many occupations.</p> <p>Within 45 days:</p> <ul style="list-style-type: none"> • 98% of student applications were decided • 97% of visitor applications were decided • 95% of work applications were decided. <p>Within 60 days:</p> <ul style="list-style-type: none"> • 99% of student applications were decided • 99% of visitor applications were decided • 97% of work applications were decided. <p>New timeliness standards per branch for temporary decisions were introduced during the year.</p>
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PERFORMANCE STANDARD**PERFORMANCE TO 30 JUNE 2005****Activity Information****Volumes of the following activities will be monitored:**

<ul style="list-style-type: none"> Removal Review Authority appeals (approximately 400 appeals will be received) 	<p>This year, the Removal Review Authority received 410 new appeals.</p> <p>This year, 345 appeals were referred to the Removal Review Authority, compared with 338 last year and 298 the previous year.</p> <p>300 appeals to the Removal Review Authority were finalised.</p> <p>At 30 June 2005, 236 appeals were on hand, compared with 272 at the same time last year.</p>
<ul style="list-style-type: none"> Ministerial appeals (approximately 2,000 appeals will be received) 	<p>This year, 4,029 Ministerial appeals were received, compared with 2,745 last year.</p> <p>This year, 3,903 appeal responses to Ministerial representations were completed, compared with 2,872 last year and 2,640 the previous year.</p> <p>At 30 June 2005, there were 289 Ministerial appeals on hand.</p>
<ul style="list-style-type: none"> Declined boarding requests under Advanced Passenger Processing (APP) 	<p>This year, 702 boarding requests were declined under the Advanced Passenger Processing system.</p> <p>The more than four-fold increase on last year (150 declined) is the result of expansion of the system early in the year to include all airlines travelling to and through New Zealand.</p>
<ul style="list-style-type: none"> Interdiction programme 	<p>Five people were interdicted offshore this year, compared with 27 last year and 120 in the previous year.</p> <p>The expansion of the Advanced Passenger Processing system has, to a large degree, automated interdiction.</p>
<ul style="list-style-type: none"> Persons refused entry at the border. 	<p>This year, 1,273 people were refused entry at the border, compared with 869 last year.</p>

OBJECTIVE – ADVERSE IMPACTS OF IMMIGRATION MINIMISED

Adverse impacts are the unplanned consequences of immigration flows on the infrastructure, laws and policies of New Zealand. Adverse impacts occur when there is labour market displacement or the undermining of workplace conditions through the presence of illegal workers in New Zealand.

The size and criteria of immigration policy settings need to take into account the impact on the infrastructure, economy and society of New Zealand. This objective will be achieved through the delivery of services, targeted at non-compliance, to manage the possible adverse impacts of immigration.

ACTIVITIES

- providing advice on appropriate policy to ensure benefits of New Zealand's immigration programme outweigh the costs on health, education and welfare
- completing investigations and enforcement work where there is non-compliance
- providing appropriate processes for security risks and movement of improperly documented passengers
- consulting with appropriate government departments and agencies on the immigration programme will take place in order to achieve a basis for monitoring and responding to adverse impacts.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The take up of emergency income support benefits within the first two years of arrival by migrants will be reported annually. (Source: Annual data match with MSD.)</p>	<p>This year, a data match to compare the uptake of income support has taken place for 2004/05 and the report is currently being drafted. Due to delays in receiving the information, the process has been delayed this year and will be reported on in the first quarter of 2005/06.</p>
<p>Initiatives will be undertaken to manage risks in respect of border security and non-compliance with immigration requirements and will be reported on quarterly.</p>	<p>The Advanced Passenger Processing system screens passengers before boarding their flight to New Zealand. This system was extended this year to all airlines travelling to and through New Zealand. Legislation for the new system was enacted in September 2004. We gave presentations to airline representatives on the new system, and extensive training to airline staff. During the year, 702 people were declined entry into New Zealand using the system.</p> <p>The Immigration Profiling Group was set up to deal with applications from identified high-risk countries and mitigate the risks in those applications. The unit is based in New Zealand and decides on high-risk applications regardless of where they are submitted. The unit is also reviewing decisions made over the last two years with applications from high-risk countries.</p> <p>To strengthen networks for information sharing, we established a quarterly meeting with businesses concerned with immigration fraud.</p> <p>To encourage compliance with immigration requirements, Border and Investigations held four Pacific Community Compliance meetings, where around 170 people had the opportunity to discuss their personal circumstances.</p> <p>After holding workshops throughout the Department, we set up combined Compliance Teams to investigate workplaces to ensure that compliance standards are being met.</p> <p>We continued to exchange information with the Australian government's Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). The Fraud Unit Service Leader and Business Liaison Manager visited DIMIA to liaise with them regarding the fraud investigation process, information sharing and co-operation in investigations. DIMIA provided training on interdiction practices for our Border and Investigations and Central Verification Unit staff.</p> <p>Our Jakarta branch worked intensively with airlines, airports, shipping agents, and manning agents to ensure compliance with New Zealand's immigration requirements.</p> <p>Our Immigration Intelligence Unit co-ordinated a mass arrival plan for the various parts of the Department. Verification Officers established good contacts with Intelligence branches in European governments. We also initiated contact with the Center for Human Smuggling in the US State Department.</p> <p>We provided training in the identification of imposter and false documents to IELTS Invigilators who supervise the testing of English as a second language.</p>

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
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Result Measures	
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<p>The estimated levels and composition of the overstayer population, and the rate of overstaying against overall arrivals, will be reported six monthly.</p>	<p>As at 8 November 2004, the total overstayer population was estimated to be between 19,129 and 22,607, with a midpoint estimate of 20,868. This represents an increase of 2.6% since the previous estimate in April 2004.</p> <p>The number of "new overstayers" (those who have overstayed by three to 18 months) increased by 3% to 6,782 in the November estimate.</p> <p>The number of long-term overstayers (more than five years) increased by 6% to 7,471.</p> <p>The number of medium-term overstayers (18 months to five-years) reduced by 3% to 6,537.</p> <p>A second sample was taken in April 2005. The report for this sample has been drafted and is currently with the Minister for his agreement.</p>
<p>There will be a 10% reduction in the number of undocumented passengers arriving in New Zealand compared to 2003/04.</p>	<p>This year, 95 undocumented passengers arrived in New Zealand, 34% fewer than last year (143) and 63% fewer than the previous year (260).</p>
<p>At least 50% of new failed refugee claimants will depart or be removed during the year.</p>	<p>This year, 168 new failed (ie, entered as failed into the system since 1 July 2004) refugee claimants were removed, deported, voluntarily departed or granted special directions or Section 35A permits. This represents 73% of the 230 new failed refugee claimants identified as available for removal.</p>
<p>95% of enforcement activities will be conducted in accordance with critical elements of Government policy.</p>	<p>This year, 97% of enforcement activities were conducted in accordance with critical elements of Government policy. This has been confirmed by a sample audit in the Border and Investigation internal quality assurance process, and is similar to the 98% rating for last year.</p>

Activity Information	
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<p>Approximately 1,600–1,800 investigations and removals, deportations, Section 35A permits and voluntary departures will take place during the year.</p>	<p>As a result of the 2,431 investigations and removals, deportations, Section 35A permits, special directions, and voluntary departures this year:</p> <ul style="list-style-type: none"> • 1,252 people were removed • 1,013 people voluntarily departed New Zealand • 14 people were deported from New Zealand • 14 special directions were given in relation to granting a permit/visa • 138 people were granted Section 35A permits. <p>In addition, 252 Ministerial Interventions occurred.</p>
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PERFORMANCE STANDARD**PERFORMANCE TO 30 JUNE 2005****Activity Information**

Volumes of the following activities will be monitored:

<ul style="list-style-type: none"> Failed refugee claimants removed 	<p>This year, 268 failed refugee claimants were removed and a further 172 left New Zealand voluntarily.</p>
<ul style="list-style-type: none"> Detention 	<p>This year, 14 people were received at the Auckland Central Remand Centre (a corrections facility).</p>
<ul style="list-style-type: none"> Non genuine refugee cancellations 	<p>In the 25 cancellation case decisions this year:</p> <ul style="list-style-type: none"> 3 retained refugee status 13 cancelled refugee status 9 were referred to the Refugee Status Appeals Authority to cancel the refugee status it had granted.
<ul style="list-style-type: none"> Open and secure accommodation 	<p>This year, 62 people were held in open and secure accommodation at the Mangere Refugee Resettlement Centre.</p>
<ul style="list-style-type: none"> Prosecutions 	<p>32 prosecutions were completed this year, compared with 24 last year and 22 the previous year.</p> <p>196 charges were laid compared with 183 charges last year.</p> <p>At 30 June 2005, 41 active prosecutions were open and awaiting court hearings.</p>
<ul style="list-style-type: none"> Temporary and resident revocation by category 	<p>This year, the following permits were revoked:</p> <ul style="list-style-type: none"> 115 visitor permits 485 work permits 358 student permits 9 residence permits.
<ul style="list-style-type: none"> Compliance related employer site visits 	<p>137 compliance-related employer site visits were conducted to encourage compliance with the Immigration Act.</p>
<ul style="list-style-type: none"> Court proceedings. 	<p>This year, 56 new cases were received, and 47 cases were finalised, compared with 62 last year and 36 the previous year.</p> <p>At 30 June 2005, 28 cases were on hand.</p>

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	42,991	39,865	42,991	100.0%
	Department	283	243	538	52.6%
	Other	75,106	81,633	76,979	97.6%
Total Revenue		118,380	121,741	120,508	98.2%
Total Expenses		123,520	126,042	131,444	94.0%
NET SURPLUS/(DEFICIT)		(5,140)	(4,301)	(10,936)	-

The increase in appropriation of \$5.402 million in the Supplementary Estimates was:

- for enhancing outcomes from the Samoan Quota Scheme and the Pacific Access category
- for a new immigration investment policy that aims to attract skilled business people with capital to invest in New Zealand
- funding for the Skilled Migrant Category and immigration health screening
- to reallocate funds to reflect where the costs of the Department of Labour restructure and initial capability requirements lie
- to support transitional costs relating to the Department of Labour restructure and initial capability requirements
- to reflect volume and price changes due to increased costs of processing applications under the Skilled Migrant Category and a decrease in the average price forecast due to a further shift in applications from offshore to onshore

partially offset by expenditure transfers to 2005/06 as a result of delayed programmes.

The Department planned to incur a deficit of \$10.936 million. This covered the continuation of the subsidy on visitor visas, one-off expenditure relating to the introduction of the Skilled Migrant Category, and expenditure approved in Budget 2004 to be recovered from fees once they were updated. The reduction in actual expenditure is due to the workforce being focused on meeting the Immigration Programme. Focusing on the Immigration Programme meant that some business projects proceeded more slowly than planned or were deferred altogether.

Departmental restructuring resulted in some infrastructure projects not progressing. Training was deferred while awaiting the appointment of staff to new structures and some vacancies also remained unfilled while structures were settled.

VOTE: IMMIGRATION | Output Class – Services to Position New Zealand as an International Citizen With Immigration-Related Interests and Obligations

DESCRIPTION

This output class provides a range of services aimed at positioning New Zealand as an international citizen with immigration-related interests and obligations.

This output class contributes to the Department's intermediate outcome of *More international influence on global labour security issues and institutions* by meeting or exceeding international obligations in relation to refugee resettlement and by making a constructive contribution to work on global labour and security issues and participation in international forums.

The two objectives of this output class are to:

- promote New Zealand's immigration-related interests
- enhance New Zealand's international reputation through reliability and fulfilment of international obligations, such as providing refugees with safe haven.

OBJECTIVE – PROMOTING NEW ZEALAND'S IMMIGRATION-RELATED INTERESTS

Promoting New Zealand's immigration-related interests contributes to New Zealand's international presence and influence.

Departmental representation of immigration-related interests offshore is formed in conjunction with other relevant departments.

ACTIVITIES

- participating in multilateral security and law and order initiatives to advance New Zealand's immigration-related interests
- liaising with other government departments and agencies
- conducting research and evaluation
- providing advice on appropriate immigration policy.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The Minister is satisfied with the quality of policy advice provided by the Department.</p>	<p>The Department sought feedback from the Minister on the quality of ministerial servicing through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister gave an average rating of 3 (on a 5-point scale) for the quality of policy advice provided by the Department. The Minister also noted the servicing of cabinet papers had improved.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The Department will participate in, or assist others to participate in, multilateral initiatives to promote New Zealand’s security and law and order immigration-related interests and will report on progress quarterly.</p>	<p>This year we co-hosted one of the Bali Process workshops, an International Organisation for Migration initiative to strengthen regional co-operation against the smuggling and trafficking of people. We sponsored representatives from Pacific nations and the Pacific Immigration Directors Conference to attend one of the workshops.</p> <p>We participated in the Inter-Governmental Consultation Forums, one of which covered data collection: what was being collected in each country, identifying improvements and extending co-operation in the sharing of data.</p> <p>We facilitated the exchange of information and aligned the work undertaken in the area of lost and stolen passports within the APEC Business Mobility Group and the Bali Process.</p> <p>We attended the Standing Committee meetings of Executive Committee (Ex Com) of United Nations High Commissioner for Refugees (UNHCR) which covered a range of refugee protection matters and participated in a debate on international protection.</p> <p>We attended the annual Pacific Rim Immigration Intelligence Conference, which aims to facilitate the exchange of strategic and operational immigration intelligence.</p> <p>We attended the Eighth Pacific Immigration Directors Conference and the 88th Council Session of the International Organisation for Migration.</p> <p>We attended the Combined Law Agency Group, Pacific Rim Immigration Intelligence Conference and Interagency Intelligence meetings, liaised with allied intelligence agencies – the British Foreign Office and British Defence Intelligence Service – and visited DIMIA.</p> <p>We presented a paper on the Longitudinal Survey (LisNZ) at the OECD International Reporting System on Migration.</p> <p>In response to a request from Niue for technical assistance in their revision of immigration processes and legislation, we conducted two studies to define the nature of the assistance, and provided the first assistance in June 2005.</p>

OBJECTIVE – INTERNATIONAL REPUTATION THROUGH RELIABILITY AND FULFILMENT OF INTERNATIONAL OBLIGATIONS

The provision of safe haven for refugees and responses to humanitarian crises contributes to the positioning of New Zealand as an international citizen. Protection and resettlement services are provided to United Nations High Commissioner for Refugees (UNHCR) mandate refugees.

Safe haven is also provided to spontaneous asylum seekers during the determination process and settlement support is provided where appropriate.

In both cases the selection or determination system demonstrates fairness and natural justice. Reputation is also enhanced through

ongoing contributions to the development of best practice protection and security systems.

ACTIVITIES

- providing advice on appropriate immigration policy to achieve these outcomes
- managing selection and determination systems for quota refugees and refugee status seekers respectively
- providing accommodation and an induction for quota refugees at the Mangere Refugee Resettlement Centre and ongoing resettlement services
- providing support services to the Refugee Status Appeals Authority
- responding and maintaining preparedness to respond to humanitarian crises.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
<p>Result Measures</p> <p>Appropriate international standards relating to refugee processing, assessment, and detention procedures will be achieved as assessed annually by UNHCR. (Source: UNHCR.)</p>	<p>Every month, UNHCR Canberra assesses a sample of decisions made by the Department’s Refugee Status Branch, to determine whether they meet international standards and guidelines.</p> <p>This year, the results were very positive – of the 24 decisions assessed, 22 met UNHCR criteria. The remaining two decisions were from Mongolia (rarely assessed in New Zealand) and Iran. UNHCR agreed with the outcome of the Mongolian decision, but commented it could have been reached a different way, and more up-to-date country information could have been used. UNHCR did not agree with the way the credibility finding was reached in the Iranian case, but did not comment as to the overall decision outcome.</p> <p>As part of its Regional Programme of Monitoring Refugee Detention Centres, UNHCR Canberra visited the Papakura Police Station in Auckland, where claimants are held pending the application and issue of a warrant of commitment authorising further detention. In its report, the UNHCR states that, “In general, Papakura Police Station complies with UNHCR Guidelines on the Detention of Asylum Seekers”. However, they also note that more could be done to communicate these individuals’ rights at the time of detention through interpreters. Greater communication opportunities could be sought to systematically identify the personal circumstances and needs of the person to be detained, and ensure they are appropriately addressed during the period of detention.</p>

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
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Result Measures	
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<p>Consultation on the composition of the refugee quota to take into account settlement factors and infrastructural impacts will be completed and reported annually.</p>	<p>We undertook consultation on the composition of this year's refugee quota, with a focus on maximising positive settlement outcomes.</p> <p>Refugee quota composition was included on the agenda of the Tripartite consultations, enabling dialogue with the non-governmental organisations and UNHCR. Government agencies such as Housing NZ, the Ministry of Education, the Auckland District Health Board, and Child, Youth, and Family attended the consultations to discuss infrastructure issues. The Minister also attended parts of the meeting. Good feedback was received from participants.</p> <p>Written submissions were also considered from a variety of agencies, including refugee community groups and NGOs.</p> <p>A working group consisting of the key settlement agencies was established post-quota composition sign off, to work together in implementing this composition to ensure more planning is carried out and best outcomes for agencies and refugees are achieved.</p>
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<p>A quarterly survey of a sample group of refugees will confirm the Department's services resulted in appropriate security and support through an upper quartile rating.</p>	<p>A survey of Refugee Quota Branch customers this year returned an overall satisfaction rating of 4.6 out of 5 (on a scale of 1-5, with 5 being the best), well within the upper quartile (top 25%) bracket of 3.75 or above, and an improvement on the 4.0 rating of the previous year.</p> <p>The survey of the Refugee Status Branch was sent to all asylum seekers who were approved in 2004/05. The result was a satisfaction rating of 4.7, compared with 3.7 in 2003/04.</p>
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<p>The Department will undertake activities to contribute to developing international protection systems and resolving refugee issues in the region and will report quarterly.</p>	<p>This year, 761 quota refugees arrived in New Zealand and were settled into the community.</p> <p>The September 2004 intake included the 22 Nauru cases under special direction of the Minister of Immigration. The November 2004 intake included the first cases accepted under the 2004/05 Africa Family Reunion special project.</p> <p>Staff participated in a debate on international protection at the UNHCR Executive Committee (Ex Com) meeting highlighting the importance of UNHCR's agenda for refugee protection.</p> <p>Refugee Services signed a Memorandum of Understanding with the International Organisation for Migration covering all work, including international travel and health work.</p> <p>Refugee Services also hosted the inaugural National Asylum Seeker Forum on current asylum seeker issues, attended by non-governmental organisations, the Refugee Bar, and a UNHCR representative. The new forum, together with the National Refugee Resettlement Forum, has increased dialogue and community involvement, and should ensure better outcomes for claimants and refugees.</p>
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PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Result Measures

Selection, travel to New Zealand and initial settlement services will be provided to refugees within 10% of the quota range of 750.

This year, 761 quota refugees arrived in New Zealand and were provided with resettlement services, in six quota refugee intakes – July, September, and November 2004, and January, March and May 2005. This was within 10% of the annual target of 750.

The average age of undecided refugee status claims on hand will be less than three months old.

At 30 June 2005, the average age of undecided refugee status claims on hand was two months and 20 days, under the three-month target. The 122 cases on hand at this time was a significant improvement on the 227 cases on hand 12 months before.

Refugee Status Appeals Authority members are satisfied with the quality of services provided by the Department, indicated by a customer satisfaction rating in the upper quartile.

A survey of Refugee Status Appeals Authority members returned an overall satisfaction rating of 4.7 out of 5 (on a scale of 1-5, with 5 being the best), well within the upper quartile (top 25%) bracket of 3.75 or above.

Activity Information

The Department expects:

- up to 1,000 determinations of refugee status claims may be required

This year, we received 395 claims for refugee status and 500 claims were determined, compared with 816 last year.

122 cases were on hand at 30 June 2005, the lowest number of claims on hand for 10 years.

- approximately 500 new Refugee Status Appeals Authority appeals will be received.

This year, 360 new appeals were received, and 904 appeals were referred to Members for decision.

The Refugee Status Appeals Authority finalised 570 appeals.

There were 344 appeals on hand at 30 June 2005, substantially fewer than the 624 on hand at the same date last year.

Activities undertaken in response to international humanitarian crises in the region will be reported annually.

This year, we have not been required to respond to an international humanitarian crisis. We remain well-placed to do so, however, through the crisis management and business continuity planning measures we have in place.

The average age of cases on hand with the Refugee Status Appeals Authority will be monitored.

At 30 June 2005, the average age of total cases on hand with the Refugee Status Appeals Authority was 13 months and 18 days, compared with 13 months and 7 days at the same date last year.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	16,967	16,526	16,967	100.0%
	Department	1,110	906	919	120.8%
	Other	651	681	681	95.6%
Total Revenue		18,728	18,113	18,567	100.9%
Total Expenses		17,195	18,100	18,552	92.7%
NET SURPLUS/(DEFICIT)		1,533	13	15	-

The increase in appropriation of \$0.452 million in the Supplementary Estimates was to support transitional costs relating to the Department of Labour restructure and initial capability requirements.

The \$1.533 million actual surplus in revenue over expenditure is primarily due to lower Refugee Status Appeals.

VOTE: EMPLOYMENT

VOTE: EMPLOYMENT | Summary Financial Performance

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ¹⁴ \$000	VARIANCE FAV/(UNFAV) \$000
REVENUE CROWN (GST EXCL)			
Labour market information	1,078	1,078	-
Policy, purchase advice and monitoring	7,161	7,161	-
Services to generate sustainable community wealth and well-being	9,751	9,751	-
Transition Management	2,933	2,933	-
Sub total	20,923	20,923	-
REVENUE DEPARTMENT (GST EXCL)			
Policy, purchase advice and monitoring	74	37	37
Services to generate sustainable community wealth and well-being	55	52	3
Sub total	129	89	40
REVENUE OTHER (GST EXCL)			
Policy, purchase advice and monitoring	28	-	28
Sub total	28	-	28
TOTAL REVENUE	21,080	21,012	68
DEPARTMENTAL OUTPUT CLASSES (GST EXCL)			
Labour market information	1,049	1,078	29
Policy, purchase advice and monitoring	6,562	7,198	636
Services to generate sustainable community wealth and well-being	9,457	9,803	346
Transition management	3,035	2,933	(102)
TOTAL	20,103	21,012	909

14. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

YEAR ENDED 30 JUNE 2005

	ACTUAL \$000	VOTED ¹⁵ \$000	VARIANCE FAV/(UNFAV) \$000
NON-DEPARTMENTAL REVENUE (GST EXCL)			
Programme recoveries	158	91	67
TOTAL	158	91	67

OTHER EXPENSES TO BE INCURRED BY THE CROWN (GST NOT APPLICABLE)

Community employment and development projects	5,706	10,620	4,914
Māori Women's Development Fund	2,000	2,000	-
TOTAL	7,706	12,620	4,914

15. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

VOTE: EMPLOYMENT I Output Class – Policy, Purchase Advice and Monitoring

DESCRIPTION

This output class involves the provision of policy and purchase advice, monitoring, research and evaluation to support the Government's objectives for employment.

This output class contributes to the Department's intermediate outcomes of *More people participating in the skilled workforce*, *More high-quality work opportunities* and *High-quality work in productive workplaces* through our contribution to the goals of the Government's Employment Strategy¹⁶ :

- ensuring macroeconomic policies enable sustained economic growth and job creation
- promoting an "employment rich, high productivity" economy
- developing a flexible, highly-skilled workforce that is responsive to the needs of the labour market and an innovative economy
- developing community capability as a source of employment opportunities
- promoting a fair employment environment that enhances working relationships
- improving participation in employment, earnings and the quality of employment for Māori
- improving participation in employment, earnings and the quality of employment for Pacific peoples
- improving participation in employment, earnings and the quality of employment for women, youth, mature workers, people with disabilities, and other groups at risk of long-term and persistent unemployment

- researching and communicating information on current and future skill needs to support effective decision making in the labour market.

ACTIVITIES

- providing policy advice that is supported by research and evaluation to achieve the Government's employment goals
- researching, monitoring and reporting employment and labour market trends and sharing information with employees, employers and those who advise them
- providing purchase advice on, and monitoring of, the performance of the Tertiary Education Commission to help ensure that the training and education provided by the sector contribute to increasing workforce participation and meeting labour market needs
- providing purchase advice on, and monitoring of, the performance of the Ministry of Social Development to assist the Minister to make decisions about the services and performance levels that are required to contribute to the Government's objectives for employment
- overseeing and co-ordinating the Growth and Innovation framework workstream on Skills and Talents, the Skills Action Plan¹⁷ and the Government's Employment Strategy
- ministerial servicing.

16. The "Better Working, Working Better" Strategy was approved in May 2005. This builds on and widens the scope of the previous employment strategy, in response to the significant changes in the labour market over the last five years. Refer page 11 of this report, for an explanation of this key strategy.

17. During the year, the Skills Action Plan was replaced by the Medium Term Skill and Labour Strategy. Implementation of this new strategy began in January 2005.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD		PERFORMANCE TO 30 JUNE 2005
Result Measures		
The Minister is satisfied with the quality of the policy advice provided by the Department. ¹⁸	The Department sought feedback from the Minister on the quality of policy advice during the year. The Minister welcomed the Department's increased focus on leadership and the influence it can bring on the labour market. The Minister identified the turning of policy advice into action as an ongoing challenge for the Department, noting the positive work the Department is doing to build capacity in this area.	
The policy process and advice provided is assessed as good quality through external and internal review of specific projects.	The quality of policy advice provided was identified by internal policy reviews as good, but the internal and external co-ordination that supports the policy process could be improved.	
The Minister is satisfied with the quality of purchase advice provided by the Department.	The Department sought feedback from the Minister through six-monthly satisfaction surveys. No specific issues relating to purchase advice were raised.	
The percentage of customers who are satisfied with the labour market information provided by the Department. ¹⁹	The WorkSite/PaeMahi portal includes an online user feedback survey. AC Neilsen Research reviewed survey results in September 2004 and March 2005. Results were positive, with the WorkSite/PaeMahi portal identified as a useful tool in meeting the labour market informational needs of the wide range of users ²⁰ . Of the users surveyed, 82% rated the quality of the information on the website as good or very good, and 79% rated the range of information as good or very good. 82% of users stated they would recommend the WorkSite/PaeMahi site to others.	
The Minister is satisfied with the quality of ministerial servicing provided by the Department.	The Department sought feedback from the Minister through six-monthly satisfaction surveys. No specific issues relating to ministerial servicing were raised.	
Activity Information		
Policy, purchase advice, monitoring and ministerial servicing will be delivered as agreed with the Minister for Social Development and Employment and as detailed in the Vote: Employment Output Plan for 2004/05.	Early in the year the Minister for Social Development and Employment and the Chief Executives of the Department of Labour and the Ministry of Social Development agreed to the Department discontinuing this role of providing purchase advice on and monitoring the employment activities of the Ministry of Social Development. Instead the two departments are to work collaboratively on labour market issues to achieve better results together than either agency could achieve on its own.	

18. This includes satisfaction that the policy advice provided meets the Department's quality standards for timeliness, analysis, consultation, style and presentation. High-quality advice also includes the provision of advice on emerging issues, a clearly defined issue or objective, identification and analysis of options, implementation plan, evaluation strategy and compliance cost assessment.

19. This performance measure was a new measure for 2004/05. Performance during 2004/05 has been used as the benchmark to establish a specific performance target for this measure for 2005/06.

20. The user survey asks customers to rate their satisfaction with the WorkSite/PaeMahi website, overall, not specifically the labour market information that the Department contributes to this site.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:					
	Crown	7,161	8,169	7,161	100.0%
	Department	74	46	37	200.0%
Total Revenue		7,235	8,215	7,198	100.5%
Total Expenses		6,562	8,215	7,198	91.2%
Net Surplus/(Deficit)		673	-	-	-

The decrease in appropriation of \$1.017m in the Supplementary Estimates was:

- an expenditure transfer to 2005/06 for the Skills Action Plan Initiative – Linked Employer-Employee Dataset (LEED) due to data access and staffing constraints which resulted in work progressing more slowly than anticipated
- an expenditure transfer to 2005/06 for the Workplace Information Survey due to other commitments by Statistics New Zealand which delayed development work.

The \$0.673 million actual surplus in revenue over expenditure is due to further under spending in the LEED project and Workplace Information Survey, and delays in work being completed by outside agencies on the Future of Work programme.

VOTE: EMPLOYMENT I Output Class – Services to Generate Sustainable Community Wealth and Wellbeing

The achievement of the performance measures established at the start of the year for this output class was significantly affected by Cabinet's decision in September 2004 to disestablish the Community Employment Group, transfer the community-based labour market development role to the Ministry of Social Development and strengthen the Department's labour market information role at national, regional and sector levels. Pending the transfer of the community-based labour market development role to the Ministry of Social Development at the end of March 2005, it was managed by a Transition Management Unit. The appropriations for this output class and for the associated grant funding were significantly reduced in the 2004/05 Supplementary Estimates, with funding being transferred:

- within Vote Employment to the new Labour Market Information output class and to a Transition Management output class
- to Vote Social Development to enable the Ministry of Social Development to carry out the community-based labour market development role from 1 April 2005.

The Māori Women's Development Fund that had also been managed by the Community Employment Group was transferred to Te Puni Kōkiri at the end of June 2005.

DESCRIPTION

This output class involves the provision of a range of community employment development services, policy advice, research and evaluation targeted at communities experiencing labour market disadvantage.

This output class contributes to the Department's intermediate outcomes of *More people participating in the skilled workforce and*

their communities and More high-quality work opportunities through providing planning and advice that promotes community employment development activities by:

- facilitating the development of transitional community employment development initiatives
- assisting communities to develop financially viable and sustainable community-based businesses
- assisting in the development of community-based assets and resources that will result in community-generated employment opportunities
- brokering and facilitating community network and cluster development
- providing advice, information and community and project planning assistance
- identifying, testing and developing innovative community employment opportunities
- promoting examples of best practice and success in community employment development
- developing networks, partnerships and relationships across communities and with other government agencies
- approving and managing community employment development grant assistance
- providing policy advice and ministerial services related to community employment development.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>At least 1,100 community projects will be assisted to address the labour market dimensions of community disadvantage by providing support for:</p> <ul style="list-style-type: none"> transitional community employment development initiatives that are designed to match local labour market needs and provide essential job training and skills development the development of financially viable, sustainable and enterprising community-based ventures the development of community-based assets and resources that will result in community-generated employment opportunities network, partnership and cluster development in communities to improve local knowledge and co-ordination of resources, skills and information in support of employment development strategies. 	<p>A total of 132 new community projects were supported, including:</p> <ul style="list-style-type: none"> three Cyber Communities projects (transitional community employment development initiatives) 18 Community Employment Organisation projects (community based businesses) two Māori land development projects (community based assets and resources) two Māori local partnership projects (community network and cluster development) three Māori women's development projects three Māori organisational development projects two Ecoworks projects. <p>The target shortfall reflects the Cabinet decision made in September 2004 to disestablish the Community Employment Group (CEG) and transfer community-based labour market development functions to the Ministry of Social Development.</p>
<p>The Department is developing an evaluative approach to assess the most significant outcomes from the Department's investment in community employment development. Results will be reported six-monthly.</p>	<p>The evaluative approach was developed and tested with groups of field workers from two regions, including Pacific staff. Feedback was positive. Work on the evaluation approach was suspended following the Cabinet decision in September 2004.</p>

PERFORMANCE STANDARD

PERFORMANCE TO 30 JUNE 2005

Result Measures

All grants will be approved and managed in accordance with the new approved grant guidelines and procedures. Compliance testing with the guidelines will be undertaken and reported quarterly, in addition to the completion of an annual internal audit programme.

All grants issued were subject to the approval of a Departmental Grants Committee chaired by the Chief Executive. This committee provided assurance through scrutiny of all new grants. Compliance testing was undertaken through an internal audit against the grant guidelines.

Activity Information

The Department expects that:

- 3,250 community agencies will be advised or assisted, including those undertaking community projects
- 1,250 grant applications will be received
- 2,000 grant payments will be made.

This year, we:

- advised or assisted 1,857 community agencies
- received 171 grant applications
- made 236 grant payments.

The target shortfalls reflect the Cabinet decision made in September 2004 to disestablish the Community Employment Group (CEG) and transfer community-based labour market development functions to the Ministry of Social Development.

Policy advice will be delivered as agreed with the Minister for Social Development and Employment and as detailed in the Vote: Employment Output Plan for 2004/05.

The Cabinet decision made in September 2004 to disestablish the Community Employment Group (CEG) and transfer community-based labour market development functions to the Ministry of Social Development, meant that not all outputs detailed in the Vote: Employment Output Plan were delivered.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	9,751	11,763	9,751	100.0%
	Department	55	52	52	105.8%
	Other	28	-	-	-
Total Revenue		9,834	11,815	9,803	100.3%
Total Expenses		9,457	11,815	9,803	96.5%
NET SURPLUS/(DEFICIT)		377	-	-	-

The decrease in appropriation of \$2.012 million in the Supplementary Estimates was to transfer, to the Ministry of Social Development, the ongoing operation of community employment activities for the period 1 April to 30 June 2005, following the disestablishment of the Community Employment Group.

The \$0.377 million actual surplus in revenue over expenditure is due to lower depreciation following the earlier than anticipated disposal of assets.

VOTE: EMPLOYMENT I OutputClass – Labour Market Information

DESCRIPTION

This output class was established in September 2004 to resource the Department's knowledge role.

In September 2004, the Government charged the Department with strengthening its labour market knowledge role, to improve the collection, integration, analysis and dissemination of information and data about New Zealand's national, sector and regional/local labour markets.

Our goals are to:

- be the authority on labour market information for New Zealand, its sectors and regions
- align labour market priorities with other key labour market players for sector and regional engagements that contribute to national goals
- play a critical role in shaping the success of the labour market.

ACTIVITIES

- expert contribution to regional and sector labour market strategies and initiatives and forging connections back to and across government

- developing and providing labour market information, analysis and insights on New Zealand labour market occupations, regions and industry sectors
- identifying and focusing on key priorities for sector and regional engagement
- shaping the Department's responses to labour market constraints and opportunities
- aligning labour market development within the context of existing regional economic and social development initiatives.

From September 2004 to 30 June 2005, our work in this area focused on investigating and fully understanding the nature of this function, and then building the capability required. By 30 June 2005, a strong leadership team was in place and additional staff were being recruited.

While there were no specific performance measures for this output class for this year, new measures pertaining to labour market information are included in the Department's 2005/06 Statement of Intent.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue: Crown	1,078	-	1,078	100.0%
Total Revenue	1,078	-	1,078	100.0%
Total Expenses	1,049	-	1,078	97.3%
NET SURPLUS/(DEFICIT)	29	-	-	-

VOTE: EMPLOYMENT I Output Class – Transition Management

DESCRIPTION

As a result of the September 2004 Cabinet decision to disestablish the Community Employment Group this output class was established to enable the Department to:

- settle employment contract obligations
- fund lease buy out costs and

- ensure a smooth transition of community-based labour market development programmes to the Ministry of Social Development

There were no specific performance measures relating to this output class.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue: Crown	2,933	-	2,933	100.0%
Total Revenue	2,933	-	2,933	100.0%
Total Expenses	3,035	-	2,933	103.5%
NET SURPLUS/(DEFICIT)	(102)	-	-	-

VOTE: ACC

VOTE: ACC | Summary Financial Performance

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	VOTED ²¹ \$000	VARIANCE FAV/(UNFAV) \$000
REVENUE CROWN (GST EXCL)			
Policy and monitoring	2,985	2,986	(1)
Regulatory services	130	130	-
Sub total	3,115	3,116	(1)
REVENUE DEPARTMENT (GST EXCL)			
Policy and monitoring	5	15	(10)
Sub total	5	15	(10)
TOTAL REVENUE	3,120	3,131	(11)
DEPARTMENTAL OUTPUT CLASSES (GST EXCL)			
Policy and monitoring	2,565	3,001	436
Regulatory services	77	130	53
TOTAL	2,642	3,131	489
NON-DEPARTMENTAL REVENUE (GST INCL)			
Recoveries from ACC	107,071	90,248	16,843
TOTAL	107,091	90,248	16,843
OUTPUT CLASSES SUPPLIED BY OTHER PARTIES (GST INCL. WHERE APPLICABLE)			
Case management and supporting services	57,964	50,864	(7,100)
Claim entitlements and services	396,816	391,350	(5,466)
Public health acute services	183,629	183,229	(400)
Sub total	638,409	625,443	(12,966)
BENEFITS AND OTHER UNREQUITED EXPENSES (GST N/A)			
Other compensation	100,452	95,718	(4,734)
Sub total	100,452	95,718	(4,734)
OTHER EXPENSES TO BE INCURRED BY THE CROWN (GST INCL)			
Victims of tsunami in Indian Ocean	4	250	246
Sub total	4	250	246
TOTAL	738,865	721,411	17,454

21. Voted figures include adjustments made in the Supplementary Estimates and transfers under the Public Finance Act 1989.

VOTE: ACC I Output Class – Policy and Monitoring

DESCRIPTION

This output class involves the provision of policy, purchase and monitoring advice, research and evaluation on the ACC scheme and the performance of Accident Compensation Corporation (ACC).

This output class contributes to the Department's intermediate outcomes of:

- *People with high-quality work in productive workplaces* by providing policy, purchase and monitoring advice that contributes to reducing injury in New Zealand workplaces, assisting those who are injured to return to work and ensuring levies are fair
- *More people participating in the skilled workforce* by providing policy advice and monitoring the implementation of policy for the ACC scheme including vocational rehabilitation to assist people who are unable to return to their pre-injury occupation.

ACTIVITIES

- providing policy advice on the regulatory framework for the ACC scheme, ACC's policies and practices, and interfaces with the health and welfare systems and workplace health and safety
- evaluating the effectiveness of ACC's activities in meeting the Government's objectives for injury prevention, rehabilitation and compensation and wider social and economic goals
- monitoring and providing purchase advice on the performance of ACC to assist the Minister for ACC to achieve Government objectives
- managing the ACC board appointment process on behalf of the Minister for ACC.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD	PERFORMANCE TO 30 JUNE 2005
Result Measures	
<p>The Minister is satisfied with the quality of the policy advice provided by the Department.²³</p>	<p>The Department sought feedback from the Minister on the quality of policy advice through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister rated the quality of the policy advice provided by the Department as 3 (average) and 4 (good) on a five-point scale.</p> <p>The Minister provided positive feedback about the quality of the relationship with the Department and the extent to which the Department understands and meets her needs and priorities.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The policy process and advice provided is assessed as good through external and internal review of specific projects.</p>	<p>Reviews were not completed this year because of the departure of key staff members.</p>
<p>The Minister is satisfied with the quality of purchase advice and monitoring provided by the Department.</p>	<p>Feedback was not sought on the quality of purchase advice and monitoring provided by the Department in the ministerial satisfaction survey for the six months ending December 2004. The Department revised the satisfaction survey for the second half of the year to include these outputs.</p> <p>Results have not yet been received for the January–June survey.</p>
<p>The Minister is satisfied with the quality of ministerial servicing provided by the Department.</p>	<p>The Department sought feedback from the Minister on the quality of ministerial servicing through six-monthly satisfaction surveys.</p> <p>For the six months ending December 2004, the Minister rated the service provided by the Department as average (3 on a 5-point scale). She provided a rating of good (4 on a 5-point scale) for the quality of Cabinet papers.</p> <p>Results have not yet been received for the January–June survey.</p>
Activity Information	
<p>Policy, purchase advice, monitoring and ministerial servicing will be delivered as agreed with the Minister for ACC and as detailed in the Vote: ACC Output Plan for 2004/05.</p>	<p>Policy, purchase advice, monitoring and ministerial servicing were delivered as agreed with the Minister for ACC and as detailed in the Vote: ACC Output Plan for 2004/05.</p> <p>Work on Measuring the Cost of Injury project was reprioritised to the 2005/06 year, to enable the team to meet its deadlines for other outputs during a period of significant staff turnover.</p>

23. This includes satisfaction that the policy advice provided meets the Department's quality standards for timeliness, analysis, consultation, style and presentation. High-quality advice also includes the provision of advice on emerging issues, a clearly defined issue or objective, identification and analysis of options, implementation plan, evaluation strategy and compliance cost assessment.

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue:	Crown	2,985	2,962	2,986	99.9%
	Department	5	30	15	33.3%
Total Revenue		2,990	2,992	3,001	99.6%
Total Expenses		2,565	2,992	3,001	85.5%
NET SURPLUS/(DEFICIT)		425	-	-	-

The \$0.425 million actual surplus in revenue over expenditure is due to vacancies held during the year.

VOTE: ACC I Output Class – Regulatory Services

DESCRIPTION

This output class involves meeting the residual long-term responsibilities of the Accident Insurance Regulator by managing the Crown's ongoing risks resulting from the introduction of the competitive accident insurance market in 1999/2000.

This output class contributes to the Department's intermediate outcome of *People with high-quality work in productive workplaces*.

ACTIVITIES

- liaison with key stakeholders and receiving and responding to non-ministerial enquiries and complaints
- residual collection of non-compliers' penalties

- residual information management and servicing information requests
- responding to any enquiries and complaints related to the competitive accident insurance market
- administration of the Insolvent Insurers Fund, should this be invoked.

The ACC has assumed the Regulator's role in relation to the Non-Compliers Fund. Statistics New Zealand has assumed the previous inquiry-related information management role.

PERFORMANCE INFORMATION

PERFORMANCE STANDARD		PERFORMANCE TO 30 JUNE 2005	
Result Measures			
The Regulator will respond to complaints and enquiries within five days of receipt, including responding to notices of insurers failing to comply with their obligations under the 1998 Act.		The Regulator responded to all enquiries this year within five days.	
Activity Information			
Should any demand-driven activities of the Regulator be required, the Department will report to the Minister on the frequency and nature of these activities.		This year, the Regulator responded to nine enquiries, and three complaints were received and investigated. These were reported to the Minister, as required.	

FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005	ACTUAL \$000	MAIN ESTIMATES \$000	SUPP. ESTIMATES \$000	ACTUAL AS % OF SUPP. ESTIMATES
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(Figures are GST exclusive)

Revenue: Crown	130	130	130	100.0%
Total Revenue	130	130	130	100.0%
Total Expenses	77	130	130	59.2%
NET SURPLUS/(DEFICIT)	53	-	-	-

There were no complex issues to be considered by the Regulator this year which kept expenditure well below budget.