

# VOTE *Statistics*

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## *Statistics*

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### Overview

Appropriations sought for Vote Statistics in 2000/01 total \$86.286 million. This is intended to be spent as follows:

- \$1.015 million (1.2% of the Vote) on co-ordinating government statistical activities.
- \$56.037 million (65.0% of the Vote) on purchasing population, social and labour force statistics.
- \$28.854 million (33.4% of the Vote) on purchasing economic and business statistics.
- \$380,000 (0.4% of the Vote) on capital contributions.

Details of how the appropriations are to be spent appear in Parts B1, C and E of this Vote.

Vote Statistics does not contain any Crown revenue or Crown expenditure.

## Footnotes

- Note 1** Not applicable as Crown revenue is not appropriated.
- Note 2** Appropriations are stated GST inclusive (where applicable).

# Statistics

VOTE MINISTER: Minister of Statistics

ADMINISTERING DEPARTMENT: Statistics New Zealand

The Minister of Statistics is the Responsible Minister for Statistics New Zealand

## Part A - Statement of Objectives and Trends

### Part A1 - Objectives for Vote Statistics

The appropriations sought for Vote Statistics will fund activities that will inform the Government and the community about the nature of the society we live in, the state of the economy, and our position in the world.

More specifically, the outputs funded by appropriations will:

- enhance planning and decision-making by both the Government and business
- facilitate electoral and political processes, and promote both the public accountability of central and local government and the effective discussion and debate of public issues
- promote the efficient operation of information, financial and other markets
- meet the information needs of international organisations and businesses, and of other nations that compare their position to that of New Zealand.

The Minister of Statistics will purchase outputs in Vote Statistics that will contribute to the key Government goals by:

- providing authoritative official statistics, independent of government influence, that measure progress towards those objectives
- informing effective public policy formulation, programme implementation, policy presentation and programme evaluation
- providing information on the nature of New Zealand society and on New Zealand's position in the world, which determines the context of the public programmes directed at the overarching goals and strategic priorities.

### *Links Between Output Classes and the Government's Outcomes*

The links between the Department's three output classes and the Government's outcomes are as follows:

| Output Class                                       | Related Outcomes  |
|--|---|
| Co-ordination of Government Statistical Activities | Contributes to the Government's <i>Restore Trust in Government and Provide Strong Social Services</i> goal by ensuring that all government statistical activities are co-ordinated to minimise respondent burden, avoid duplication of effort, and permit the linking of statistics from a variety of data sources. This contributes to stronger downward pressure on costs by reducing compliance costs. |

| Output Class   | Related Outcomes  |
|--|---|
| Population, Social and Labour Force Statistical Information Services | <p>Contributes to the Government's <i>Close the Gaps for Māori and Pacific People in Health, Education, Employment and Housing</i> and <i>Improve New Zealanders' Skills</i> goals by providing essential information for educational planning purposes, and information on the relationship between educational attainment, qualifications, training and employment.</p> <p>Contributes to the Government's <i>Grow an Inclusive, Innovative Economy for the Benefit of All</i> goal through:</p> <ul style="list-style-type: none"> <li>• the three-yearly Household Economic Survey, which is a key data source for measuring standard of living, well-being, income adequacy, and the nature of behavioural changes over time, in order to monitor the effectiveness of social programmes</li> <li>• the projection of mortality trends, fertility trends and migration behaviour, which provides a reliable basis for developing a sustainable long-term social policy</li> <li>• the five-yearly Census of Population and Dwellings, which is a major source of information for the provision of social assistance</li> <li>• the programme of social reporting, which provides in-depth analysis of the circumstances of major subgroups of the population.</li> </ul> <p>Contributes to the Government's <i>Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi</i> goal through various collections that provide information on Māori economic opportunity and social outcomes, and permit the monitoring of progress towards the goal of social and economic parity between Māori and non-Māori.</p> |
| Economic and Business Statistical Information Services               | <p>Contributes to the Government's <i>Grow an Inclusive, Innovative Economy for the Benefit of All</i> goal of a strongly growing, internationally competitive enterprise economy by:</p> <ul style="list-style-type: none"> <li>• producing a wide range of statistics that provides information necessary to facilitate and monitor economic activity and growth, employment, price stability</li> <li>• providing statistics on small business, research and development, capital investment and productivity</li> <li>• measuring New Zealand's transactions with the rest of the world</li> <li>• providing international comparisons.</li> </ul> <p>Other business and economic statistics enable markets to be well informed.</p>  |

## Part A2 - Trends in Vote Statistics

The time series of departmental flows for Vote Statistics reflects the fluctuations in the level of outputs purchased by the Crown.

### *Output Trends 1995/96 to 2000/01*

Appropriation trends for departmental output classes can be characterised by three major activities:

#### **Cycles of statistical activity that impact on appropriations, the most visible being the Census of Population and Dwellings**

The next census, to be undertaken on Tuesday, 6 March 2001, has a budgeted increase of \$24.900 million over the budget for the 1999/2000 year. The years following the census will see a major reduction to the Vote, followed by minor reductions until the next census (see the following table). With several notable exceptions, most other statistical activity has monthly, quarterly or annual cycles that do not cause significant changes to appropriations from one year to the next. The exceptions that do impact on the Vote, but to a much lesser extent than the population census, are the seven-yearly cycle of the Inter-industry Study, the six-yearly cycle of the revision to the Consumers Price Index, and the three-yearly cycle of the Household Economic Survey.

|  | 1995/96<br>\$000 | 1996/97<br>\$000 | 1997/98<br>\$000 | 1998/99<br>\$000 | 1999/00<br>\$000 | 2000/01<br>\$000 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Funding for the five-yearly Census of Population and Dwellings | 24,597           | 7,127            | 1,877            | 3,278            | 3,789            | 28,736           |

#### **Information technology upgrade**

Although this commenced in 1994/95, the significant impact was in 1995/96 with an increase of \$7.7 million. Since then the appropriation requirements for the upgrade increased slightly, with the overall impact being a permanent increase to Vote Statistics of \$8.7 million.

Increases for one-off contracted statistics that are funded via third parties. This trend commenced in 1995/96 with an increase of \$1.0 million. Since then the level of appropriation required for this activity has fluctuated between \$1.5 million in 1996/97 and \$3.5 million in 2000/01 - when several major surveys are being undertaken.

### *Trends in Capital Contributions and Other Expenses: 1995/96 to 2000/01*

Variations in these tend to reflect one-off rather than ongoing transactions.

#### **Capital contributions**

For Vote Statistics, capital contributions principally reflect three short-term trends.

The first, in 1995/96, is \$4.430 million capital for the second year of investment for the upgrade to the Department's computing facilities and information systems. Note that \$13.590 million was invested in 1994/95 for the upgrade.

The second trend, in 1996/97, was \$4 million capital to offset the operating deficit due to a shortfall in third-party revenue.

The third trend covers both 1995/96 and 1996/97 and was for a small additional investment required for developments to the 1996 Census of Population and Dwellings. These were \$377,000 in 1995/96 and \$40,000 1996/97.

In addition to the above three trends, there is a \$380,000 one-off capital contribution in 2000/01 for the development of an annual Housing Survey.

### **Other expenses**

The 1998/99 amount of \$1.979 million is for the accrual of unvested long service leave and retirement leave. This is a one-off technical adjustment with any subsequent adjustments being treated as an output expense.

## *Analysis by Appropriation Type: 2000/01 and 1999/2000 Compared*

### **Departmental output classes**

The 2000/01 annual appropriations for the purchase of departmental outputs are expected to total \$85.906 million, a net increase of \$28.384 million relative to 1999/2000. The output classes are generally consistent with 1999/2000, except for the significant factors outlined below (see Part B2 for further details).

### Changes - all output classes

Additional funding for:

- statistics for third-party clients - Appropriations for output classes Population, Social and Labour Force Statistical Information Services (D2) and Economic and Business Statistical Information Services (D3) have been adjusted for costs recovered from third parties for the supply of additional, one-off, contracted statistics.

Appropriations for this type of activity have increased by a net \$1.659 million from \$1.878 million in 1999/2000 to \$3.537 million in 2000/01. Output class D2 has increased by \$1.839 million while output class D3 has decreased by \$180,000.

Since the trend for one-off contracted statistics funded via third parties commenced in 1995/96, the funding provided by these clients has favoured social and labour force statistics over economic and business statistics. This characteristic looks set to continue into the future.

Although these short-term surveys are commissioned and funded by third-party clients, the resulting outputs are publicly available.

- reinstatement of \$185,000 required as savings in 1999/2000 to fund the additional costs due to the 1998 Auckland central business district power crisis. This saving was spread evenly between output classes D2 and D3.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2000*.

### Changes - output class D2 Population, Social and Labour Force Statistical Information Services

#### Additional funding:

- of \$24.946 million for the cycle of the Census of Population and Dwellings. This five-yearly exercise, to be next undertaken on 6 March 2001, provides much of the information necessary for the Government's future planning of social and economic services. This increase accounts for 88% of the total change to Vote Statistics.
- of \$998,000 for a full Longitudinal Survey of Income, Employment and Family Dynamics.
- of \$421,000 for alterations to ongoing statistical programmes having a regular cycle of activity. These mainly relate to the six-year cycle of the Consumers Price Index revision and the three-yearly Household Economic Survey.
- of \$385,000 (to \$581,000) for a Post-censal Disability Survey.
- of \$56,000 for the development of an information base for cohort modelling, funded via a Vote transfer from Vote Research, Science and Technology. This affects 2000/01 only.

#### A reduction of funding:

- of \$200,000 following the conclusion of the Innovation Survey funded via a vote transfer from Vote Research, Science and Technology. This affected 1999/2000 only.
- of \$613,000 following the conclusion of the three-year pilot for a longitudinal survey of income dynamics. Funding for a full survey development is approved starting in 2000/01.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2000*.

### Changes - output class D3 Economic and Business Statistical Information Services

#### Additional funding:

- of \$411,000 for alterations to ongoing statistical programmes having a regular cycle of activity. This relates to the seven-yearly Inter-Industry Study.
- of \$135,000 for the development of Environmental Physical Asset and Flow Accounts, funded via a Vote transfer from Vote Research, Science and Technology. This affects 2000/01 only.

Further details are contained in Statistics New Zealand's *Departmental Forecast Report 2000*.

### **Capital contributions**

Vote Statistics will receive a capital contribution of \$380,000 in 2000/01 to develop a Survey of Housing. Data from this survey will provide an information base on housing conditions for different groups of people, the flow into and out of different housing situations for particular household and family types, and the affordability of housing. The survey will be developed during the 2000/01 year and will be implemented as an annual survey in the September quarter of 2001/02.





## Part B - Statement of Appropriations

## Part B1 - Details of 2000/01 Appropriations (see note 2)

| Appropriations   | 1999/2000     |              |                  |              | 2000/01       |              |               |              |  |
|--|---------------|--------------|------------------|--------------|---------------|--------------|---------------|--------------|--|
|  | Vote          |              | Estimated Actual |              | Vote          |              | Vote          |              |  |
|  | Annual \$'000 | Other \$'000 | Annual \$'000    | Other \$'000 | Annual \$'000 | Other \$'000 | Annual \$'000 | Other \$'000 |  |
| <b>Departmental Output Classes (Mode B Gross)</b>                          |               |              |                  |              |               |              |               |              | Description of 2000/01 Appropriations  |
| D1 Co-ordination of Government Statistical Activities                      | 1,005         | -            | 926              | -            | 1,015         | -            | -             | -            | Fulfillment of the statistical co-ordination requirements of the Statistics Act 1975.  |
| D2 Population, Social and Labour Force Statistical Information Services    | 32,082        | -            | 30,726           | -            | 56,037        | -            | -             | -            | Provision of statistics on population and demography, social policy, household economics, the labour market, Census of Population and Dwellings, and the environment; publication of statistical compendia; and maintaining the Streets Directory. |
| D3 Economic and Business Statistical Information Services                  | 24,435        | -            | 24,122           | -            | 28,854        | -            | -             | -            | Provision of statistics on business, on international trade and finance, and on the government sector, and publication of the National Accounts.   |
| <b>Total Appropriations for Departmental Output Classes (Mode B Gross)</b> | 57,522        | -            | 55,774           | -            | 85,906        | -            | -             | -            | <b>Refer to Part C1 for a full description.</b>  |
| <b>Capital Contributions to the Department</b>                             |               |              |                  |              |               |              |               |              |  |
| Capital Investment   | -             | -            | -                | -            | 380           | -            | -             | -            | Capital Contribution for the Development of a Housing Survey   |
| <b>Total Appropriations for Capital Contributions to the Department</b>    | -             | -            | -                | -            | 380           | -            | -             | -            |  |
| <b>Total Appropriations</b>  | 57,522        | -            | 55,774           | -            | 86,286        | -            | -             | -            |  |

## Part C – Explanation of Appropriations for Output Classes

### Part C1 - Departmental Output Classes

For more detailed analysis of departmental output classes, including financial and non-financial performance measures, please refer to Statistics New Zealand's Departmental Forecast Report.

#### *Output Class D1 – Co-ordination of Government Statistical Activities*

##### **Description**

The Minister of Statistics will purchase outputs to fulfil the statistical co-ordination requirements of the Statistics Act 1975, including:

- defining and facilitating the use of standard statistical concepts, procedures, definitions and classifications
- advising government departments on statistical matters
- conducting systematic reviews of the collection, compilation, analysis, abstraction and publication of official statistics
- providing assessments for ministerial approval of survey proposals submitted by government departments for surveys of major significance to the official statistical system
- conducting a five-yearly conference of users of official statistics.

#### *Output Class D2 - Population, Social and Labour Force Statistical Information Services*

##### **Description**

The Minister of Statistics will purchase statistical and related outputs in the following categories:

##### Population and demography

Analysis of changes to the population base, including the preparation of population estimates and demographic projections.

##### Social policy

Information on the social conditions in New Zealand.

##### Household economics

Statistics relating to individual and household income and expenditure, and the Consumers Price Index.

##### Labour market

Analysis of the labour force, including labour supply, wage rates, work stoppages, earnings and hours worked, employment contracts, and Labour Cost Index statistics.

### Census of Population and Dwellings

Statistics and reports from the five-yearly census.

### Statistical compendia

Publication of the biennial *New Zealand Official Yearbook*, annual *New Zealand in Profile* and monthly *Key Statistics*.

### Environment

Maintain an inventory of environmental statistics.

## *Output Class D3 - Economic and Business Statistical Information Services*

### **Description**

The Minister of Statistics will purchase statistical and related outputs in the following categories:

#### Business statistics

Statistics relating to the productive base of the economy, including (a) business price indexes, (b) retail, wholesale, manufacturing and building activity, and (c) information technology.

#### International trade and finance

Statistics measuring changes in the value and volume of imports and exports of merchandise trade that show the flows of resources between all New Zealand businesses, government and individuals on the one hand, and the rest of the world on the other; balance of payments statistics; and New Zealand's International Investment Position statement.

#### Government sector

Statistics relating to the financial activities of central and local government.

#### National Accounts

Statistics analysing the past and current macro-performance of the New Zealand economy according to international standards, and describing the interdependence between industries.

## Part D - Explanation of Appropriations for Other Operating Flows

### **Part D1 - Benefits and Other Unrequited Expenses**

There is no appropriation for Part D1.

### **Part D2 - Borrowing Expenses**

There is no appropriation for Part D2.

### **Part D3 - Other Expenses**

There is no appropriation for Part D3.

## Part E - Explanation of Appropriations for Capital Flows

### Part E1 - Capital Contributions

Information regarding this appropriation is provided in Part B1.

### *Net Worth of Entities Owned*

#### Statement of Estimated and Forecast Net Worth

|                        | Balance<br>Date | Estimated Net<br>Worth 2000<br>\$ million | Forecast Net<br>Worth 2001<br>\$ million |
|------------------------|-----------------|---|--|
| Entities Owned         |                 |   |  |
| Statistics New Zealand | 30 June         | 17.404                                    | 17.784                                   |

### Part E2 - Purchase or Development of Capital Assets of the Crown

There is no appropriation for Part E2.

### Part E3 - Repayment of Debt

There is no appropriation for Part E3.