

VOTE *Statistics*

Statistics

Overview

Appropriations sought for Vote Statistics in 2003/04 total \$69.003 million. This is intended to be spent as follows:

- \$8.580 million (12.4% of the Vote) on co-ordinating government statistical activities.
- \$30.738 million (44.5% of the Vote) on purchasing population, social and labour force statistics.
- \$29.455 million (42.7% of the Vote) on purchasing economic and business statistics.
- \$230,000 (0.3% 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.

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 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
Coordination 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
Coordination of Government Statistical Activities - cont'd	<p>Contributes to the Government's <i>Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi</i> goal by enabling Māori statistical needs to be met or fostering the provision of statistical information that is relevant to Māori, encouraging greater use of official statistics in Māori communities, and assisting Māori communities to develop statistical capability.</p>
Population, Social and Labour Force Statistical Information Services	<p>Contributes to the Government's <i>Social Equity and Improve New Zealanders' Skills</i> goals by the ad hoc programme of social surveys, by the five-yearly Census of Population and Dwellings, by producing population estimates that are used as the denominator in population ratios, and by investigating methods to increase the use of administrative data for statistical purposes.</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"> • the three-yearly Household Economic Survey, which is a key data source for measuring income distribution and household expenditure. Other sources of income data include an annual income survey, tax-based data, and the Census of Population. • the projection of the population, its characteristics, and its distribution, which provides a reliable basis for developing a sustainable long-term social policy • the five-yearly Census of Population and Dwellings, which is a major source of information on the population and its socio-economic characteristics • the programme of social reporting, which provides in-depth analysis of the circumstances of major subgroups of the population. <p>Contributes to the Government's <i>Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi</i> goal through the publication of outputs that describe Māori social and economic outcomes, and through the availability and further development of systems to ensure that Māori have access to statistics.</p>

Output Class	Related Outcomes
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"> • producing a wide range of statistics that provides information necessary to facilitate and monitor economic activity and growth, employment, and price stability • providing statistics on small business, research and development, capital investment and productivity • measuring New Zealand's transactions with the rest of the world • providing international comparisons. <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 1997/98 to 2003/04

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

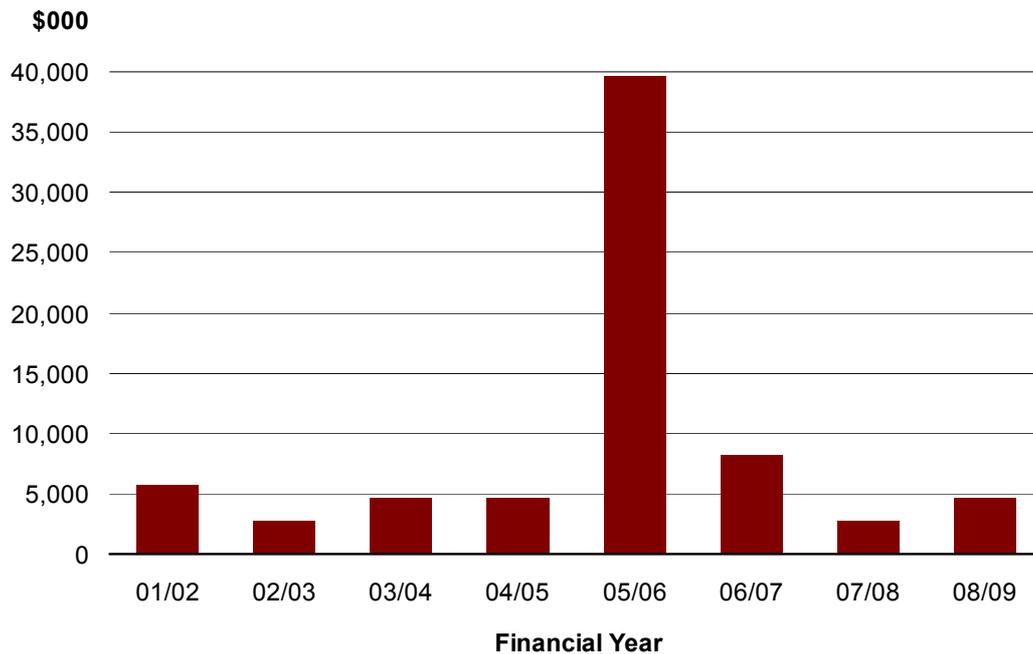
Cycles of statistical activity that impact on appropriations

Census of Population and Dwellings

The five yearly Census of Population and Dwellings has a significant effect on the total appropriation. Approximately 66% of the total cost of the census programme, is expended in the year a census is held, resulting in a large increase that year and corresponding decrease the following year. In 2003/04, the second year of the Census funding cycle, funding is set at \$4.739 million. This includes an addition of \$1.910 million that was approved in the Budget Initiative 2003 process, to restore and maintain the quality of census data to an appropriate level.

Figure 1 shows the variability in funding that Statistics New Zealand receives for the census programme.

Figure 1 – Trends in Census of Population and Dwellings Appropriations



Source: Statistics New Zealand

Other cyclical activities

Most other statistical activities have 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 three-yearly cycle of the Household Economic Survey and the six-yearly cycle of the revision to the Consumers Price Index.

Changes for one-off contracted statistics that are funded via third parties

Statistics New Zealand generates a small portion of total revenue by contracting out its services and running surveys for third parties. These surveys are fiscally neutral, because they impact equally on the department's revenue and expenditure targets by the same amount. The amount of revenue that will be generated in any one year is often difficult to forecast in advance because there is not a significant amount of time between the request for running a survey and the actual running of it. Funding from one off third party contracts in 2003/04 is expected to be \$1.637 million. This is \$1.329 million less than in 2002/03.

Capital Contributions and Other Expenses: 1997/98 to 2003/04

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

Capital contributions

Capital contributions during this period are outlined as follows:

- In 2000/01 Statistics New Zealand received a contribution of \$380,000 for the development of an annual Housing Survey.

- In 2001/02 there were two capital contributions totalling \$1.400 million. The first, for \$1.300 million, was for the purchase and development of a computer-assisted interviewing system. The second, of \$100,000, was to develop an integrated database to provide better quality information on student loans.
- In 2002/03 a contribution of \$810,000 was approved for the development of a new injury statistics system. This capital contribution also impacts on Statistics New Zealand in 2003/04 and 2004/05, with further capital contributions of \$230,000 and \$150,000, respectively.

A capital contribution of \$4.200 million for Statistics New Zealand's to find and move into new accommodation in Wellington was also approved in the Budget round. This funding is approved for the 2004/05 year, when the lease on the department's current accommodation expires.

Other expenses

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

Analysis by Appropriation Type: 2002/03 and 2003/04 Compared

Departmental output classes

The 2003/04 annual appropriations for the purchase of departmental outputs are expected to total \$68.775 million, an increase of \$7.457 million compared with 2002/03. The output classes are generally consistent with 2002/03, except for the significant factors outlined below (see Part B2 for further details).

Further details on all changes below are contained in Statistics New Zealand's *Statement of Intent 2003*.

Changes - all output classes

Reduced funding for:

- Statistics for third-party clients - The appropriation for output classes D2 Population, Social and Labour Force Statistical Information and D3: Economic and Business Statistics have been adjusted (reduction of \$1.156 million) for costs recovered from third parties for the supply of additional, one-off, contracted statistics. Output Class D1: Co-ordination of Government Statistical Activities has not changed.

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

Changes - output class D1 Coordination of Government Statistical Activities

Additional funding of:

- \$345,000 as part of the Capability initiative. This funding has been split over all three output classes.

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

Additional funding of:

- \$930,000 for the Household Economic Survey. This survey has ongoing fluctuations associated with a regular cycle of activity.
- \$113,000 for the Injury Information Manager project.
- \$1.961 million for the cycle of the Census of Population and Dwellings.
- \$156,000 for publication of the biennial yearbook in 2002/03.
- \$2.182 million as part of the Capability initiative. This funding has been split over all three of the output classes.
- \$292,000 for development of a Social Statistics Strategy.

Reduced funding of:

- \$462,000 for the Longitudinal Survey of Income Dynamics.
- \$282,000 for free Community Access to Data on the Web.
- \$71,000 for the Student Loans project.
- \$20,000 for *Understanding Job Growth in New Zealand* - a project funded by Vote Research, Science and Technology.

Changes - output class D3 Economic and Business Statistical Information Services

Additional funding of:

- \$112,000 for the Consumers Price Index. This survey has ongoing fluctuations associated with a cycle of activity.
- \$2.183 million as part of the Capability initiative. This funding has been split over all three of the output classes.
- \$1.249 million for improving the quality of macro-economic statistics.

Reduced funding of:

- \$75,000 for a transfer from Vote Research Science and Technology for the development of a Regional Input-Output Model. This funding was for 2002/03 only.

Capital contributions

Statistics New Zealand will receive one capital contribution in 2003/04.

This contribution, of \$230,000 is additional to the \$810,000 that was received in 2002/03 for the development of a new injury information system. This system will integrate the injury-related information currently collected by eight different agencies.

Although, as part of the Budget 2003 Statistics New Zealand has had a capital contribution of \$4.200 million approved to secure new accommodation for its Wellington staff, this funding will not be required until 2004/05.

Reconciliation of New Initiatives to Appropriations

Initiative	Appropriations as shown in Part B	\$000 increase/(decrease)				
		2002/03	2003/04	2004/05	2005/06	2006/07
Capability in Statistics New Zealand	D1 Coordination of Government Statistical Activities		345	320	536	524
	D2 Population, Social and Labour Force Statistical Information Services		2,182	1,009	457	463
	D3 Economic and Business Statistical Information Services		2,183	1,009	458	464
Census of Population and Dwellings	D2 Population, Social and Labour Force Statistical Information Services		1,910	1,375	11,700	2,388
Improved Macro-Economic Statistics	D3 Economic and Business Statistical Information Services		1,249	1,907	1,298	1,245
Social Statistics Strategy	D2 Population, Social and Labour Force Statistical Information Services		292			
Statistics New Zealand Accommodation for Wellington Staff	D1 Coordination of Government Statistical Activities			1,993	2,175	2,175
	Capital Investment			4,200		
Total Initiatives			8,161	7,613	16,624	7,259

Trends in Vote Statistics - Summary of Appropriations and Crown Revenue

Types of Appropriation	1998/99	1999/2000	2000/01	2001/02	2002/03		2003/04 Appropriations to be Used				2004/05	2005/06	2006/07	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Operating Flows														
Classes of Outputs to be Supplied	56,551	56,229	83,873	64,228	61,316	60,702	69,003	-	-	-	69,003	67,533	101,217	70,633
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	1,979	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Flows														
Capital Contributions	-	-	380	1,400	810	810	230	-	-	-	230	4,350	-	-
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Total Appropriations	58,530	56,229	84,253	65,628	62,126	61,512	69,233	-	-	-	69,233	71,883	101,217	70,633
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-

Part B - Statement of Appropriations

Part B1 - Details of Appropriations

	2002/03				2003/04		Description of 2003/04 Appropriations
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Coordination of Government Statistical Activities	8,560	-	8,429	-	8,580	-	Fulfilment of the statistical co-ordination requirements of the Statistics Act 1975.
D2 Population, Social and Labour Force Statistical Information Services	27,548	-	27,220	-	30,968	-	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	25,208	-	25,053	-	29,455	-	Provision of statistics on business, on international trade and finance, and on the government sector, and publication of the National Accounts.
Total Appropriations for Departmental Output Classes (Mode B Gross)	61,316	-	60,702	-	69,003	-	
Capital Contributions to the Department							
Capital Investment	810	-	810	-	230	-	Capital Contribution for the development of an injury information statistical database.
Total Appropriations for Capital Contributions to the Department	810	-	810	-	230	-	
Total Appropriations	62,126	-	61,512	-	69,233	-	

Part C – Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

Output Class D1 – Coordination of Government Statistical Activities

The Minister of Statistics will purchase outputs to fulfil the statistical co-ordination requirements of the Statistics Act 1975. Those requirements include:

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

The Minister of Statistics will also purchase the annual *New Zealand in Profile*, and monthly *Key Statistics* publications.

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

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

Census of Population and Dwellings

Statistics and reports from the five-yearly census.

Demographic statistics

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

Social statistics

Information on the social conditions in New Zealand.

Household economic statistics

Statistics relating to individual and household income and expenditure.

Labour market statistics

Analysis of the labour force, including labour supply, wage rates, work stoppages, earnings and hours worked, employment contracts and work-related injury and illness.

Regional and environmental statistics

Statistics on housing and the environment and the development of statistics with a regional focus.

Output Class D3 - Economic and Business Statistical Information Services

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

Index statistics

Statistics relating to consumer and business price indexes and the Labour Cost Index.

Enterprise accounts statistics

Statistics measuring financial performance and financial position by broad industry groups, including retail trade, wholesale trade and manufacturing.

Enterprise production statistics

Statistics relating to physical measures of production, including agricultural production, industrial production, building activity, accommodation occupancy and business demography.

Business performance statistics

Statistics measuring various aspects of the way in which businesses operate, including business practice, research and development, information technology, biotechnology and e-commerce.

International accounts statistics

Statistics measuring changes in the value and volume of imports and exports of merchandise trade, balance of payments statistics showing the flows of resources between New Zealand businesses, government and individuals on the one hand, and the rest of the world on the other, and international investment position statistics.

National accounts statistics

Statistics analysing the past and current macro performance of the New Zealand economy, and statistics relating to the financial activities of central and local government.

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

Entities Owned	Balance Date	Estimated Net Worth 2003 \$ million	Forecast Net Worth 2004 \$ million
Statistics New Zealand	30 June	18.789	19.599