

The Treasury

Budget 2011 Information Release

Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [3] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [10] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [8] appearing where information has been withheld in a release document refers to section 9(2)(h).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Vote Parliamentary Counsel

Four-year Budget Plan

Version 1

30 November 2010

Submitted by:

Parliamentary Counsel Office

Section 1: New Baseline and Summary of Changes

Direction of Change

Over the next four years the key priorities of PCO are to continue delivering its two outputs of Law Drafting and Access to Legislation, so that we are able to deliver the Government's legislation programme and ensure that all current legislation is readily accessible to the public. The PCO delivers certain core services to Government, Parliament, and the public and we intend to enhance these services by focusing on the following five areas: (1) making the content of the New Zealand Legislation (NZL) website an official source of legislation (this activity is known as the Officialisation Project), (2) investigate the potential for the Crown to make savings by further reducing or removing the current subsidy of hard copy printed legislation, (3) enhancing and simplifying the NZL system to make the system easier to use and maintain, and to provide better value for money and lower cost of ownership to the Crown, (4) providing Pacific Island nations with drafting support and training, and (5) developing a triennial programme of statute revision.

The PCO has identified savings of \$0.450 million in the 2010/11 financial year that are available to be applied to other government priorities. The savings are as a result of the recent cancellation of two contracts - the existing database maintenance contract with Thomson Reuters and the contract with The Knowledge Basket Limited to host free access to historical Acts.

Overall Impact

Operating	Impact (\$000s)				
	2010/11	2011/12	2012/13	2013/14	2014/15
Current Baseline	21,316	21,165	21,207	21,207	21,207
Cost of new/increased activities	0	0	0	0	0
Amount reprioritised	450	0	0	0	0
New baseline	20,866	21,165	21,207	21,207	21,207

Capital	Impact (\$000s)				
	2010/11	2011/12	2012/13	2013/14	2014/15
Capital proposals seeking new funding in Budget 2011.	0	0	0	0	0
Capital proposals seeking decisions in Budget 2011 funded within baselines.	0	0	0	0	0
Total capital intentions	0	0	0	0	0

Section 2: Vote Priorities and Pressures

Vote Parliamentary Counsel delivers a core service to Parliament and the executive. It supports Parliament and the executive in their law-making roles, and contributes to the Government's objectives, by drafting changes in the law that are necessary to implement Government policies, and to provide ready access to New Zealand legislation.

From 2011/12 to 2014/15, the key priorities of PCO are:

- **to continue to deliver the Government's legislation programmes and making New Zealand legislation readily accessible to the public:** these are the outcomes of PCO's two strategic objectives and will continue to be its main focus of operations.
- **Making the content of the New Zealand Legislation (NZL) website (www.legislation.govt.nz) an official source of legislation (the Officialisation Project):** this project is expected to be completed by 31 December 2012, involves comparing the collection of principal legislation (in force in New Zealand as of 3 September 2007) with amendments incorporated against the original printed version of each enactment and regulation and every amendment made to them. It also involves updating the format to reflect current drafting style and reformatting technical inconsistencies and errors present.
- **Investigating the feasibility of moving to the model of print-on-demand at full cost:** PCO is working with the Office of the Clerk to align objectives for one printing contract to cover both offices. Once that contract is in place, the PCO will be in a position to plan for a "print on demand" strategy for the future supply of hard copy legislation.
- **Enhancing and simplifying the NZL system:** a key objective of PCO is to enhance and simplify the NZL system to improve users' experience and to enable the competitive tendering of support arrangements post 2011 to coincide with new support arrangements in 2013. Significant benefits will result from a more complete understanding of a critical business support system for PCO. Lower costs and commercial benefits will be delivered through the ability for PCO to obtain services from third party service providers on a contestable basis. The planned enhancements will ensure that major software components of the NZL system are updated and developed in order to ensure the continuing value of the Government's investment in this asset.
- **Drafting support and training for Pacific Island nations:** commencing in the 2010/11 year, the PCO will provide ongoing assistance to Pacific Island nations, through the establishment of a Pacific Island desk based at the PCO. This will be funded from within PCO's resources and (in outyears) with assistance from NZAid and other agencies.

- **Programme of revision of old statutes:** the Legislation Bill, currently before the Regulations Review Committee, proposes the establishment of a 3-yearly programme of systematic revision of Acts. The aim is to make the statutes more accessible without changing their substance.

The major pressures facing Vote Parliamentary Counsel over the next four years and the measures being put in place to manage them are:

- the ongoing demand-driven nature of PCO's work means it needs to be resourced for the peaks rather than the troughs – managed through greater cooperation between the three drafting teams
- the breadth of activities undertaken by PCO drafting staff is widening as evidenced by the key priorities listed above – managed through the more efficient use of resources due to streamlined procedures
- a significant proportion of the appropriation for output: Law Drafting Services (over 83%) relates to personnel costs. A continuation of the current fiscal environment will place pressure on staff retention, particularly for Parliamentary Counsel, as it takes a number of years for new counsel to be fully trained in the skill of drafting – managed through a planned programme of recruitment to replace staffing exits
- PCO's current dependency on a single delivery partner for the provision of the NZL system – managed through a programme of simplification.

Section 3: Proposed Changes for Budget 2011 (Reprioritisation)

New or increased activities

- **Making the content of the New Zealand Legislation (NZL) website (www.legislation.govt.nz) an official source of legislation (the Officialisation Project):** as explained in Section 2, this project is expected to be completed by 31 December 2012. PCO intends that the legislation on the NZL website will become an authoritative and official source of New Zealand legislation in the future. After consultation with the judiciary, legal profession, and others, PCO will seek to make the NZL website an official source of legislation (through the implementation of provisions in the current Legislation Bill). There will be a reduction in the quantity of titles reprinted as part of the annual reprints programme during the period leading to completion of this project. Staff from other PCO business units will continue to assist with the officialisation project as time allows, which avoids the need to recruit additional staff to complete the project.
- **Investigating the feasibility of moving to the model of print-on-demand at full cost:** the PCO has commenced an ongoing review of retail pricing. The first review resulted in a reduction in the Crown's subsidy from 1 August 2010. Once a new printing contract is in place, there will be the potential for the Crown to make savings by further reducing or removing the current subsidy of hard copy printed legislation. PCO currently assumes that there will continue to be a demand for hard copy printed legislation, but will investigate the feasibility of moving to a print-on-demand at full cost model when the officialisation of the legislation database is completed at the end of 2012.
- **Enhancing and simplifying the NZL system:** two streams of work will take place to achieve the technical simplification of the NZL system - the first focuses on reducing risk, including risk related to PCO's dependency on its single delivery partner, as well as risk of the NZL system not being available to the government and parliament due to serious disruption or disaster. The second focuses on the delivery of technical and architectural simplification of the NZL software and hardware. This programme is intended to ensure that by 2013 PCO will have simplified the NZL system broadened the external support base for the system and lowered the overall cost of ownership of the system.
- **Drafting support and training for Pacific Island nations:** commencing in the 2010/11 year, the PCO will provide ongoing assistance to Pacific Island nations, particularly those jurisdictions for which New Zealand has constitutional ties and responsibilities. PCO intends to support drafting, training, and development work in the Cook Islands and to provide critical drafting support to the Cook Islands, Niue and Tokelau as well as continuing to contribute with Australian drafting offices to development and training programmes for other Pacific Island nations. The PCO will establish a Pacific Island desk within the PCO's premises and one existing full-time Parliamentary Counsel will be seconded to provide legislative drafting assistance and training

and mentoring to officials in the Pacific Islands responsible for the drafting of legislation. This will be funded from within PCO's resources and (in outyears) with assistance from NZAid and other agencies. It was initially proposed that the Parliamentary Counsel would work most of the time located in the Pacific Islands but it is now the PCO's intention that the drafter be based in Wellington, which will reduce overall costs.

- **Programme of revision of old statutes:** the Legislation Bill, currently before the Regulations Review Committee, proposes the establishment of a 3-yearly programme of systematic revision of Acts. The aim is to make the statutes more accessible without changing their substance. The amount of revision undertaken will depend on the availability of funding to administering departments as well as PCO, which will need to be assessed in the context of other priorities. A limited amount of revision could be undertaken by reprioritising existing resources within PCO and it is assumed that the revision programme will be modest. Therefore no additional funding will be sought in the 2010/11 financial year. However, once the fiscal position of the Government allows, PCO may seek funding to undertake a significant triennial programme of statute revision. The estimated annual cost for the substantial programme would be \$445,000.