



Statement of Intent

2010–13



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Foreword by the Minister of Statistics

The Government has an overriding objective to grow the New Zealand economy so that New Zealanders can enjoy greater prosperity, security, and opportunity. This requires comprehensive and high quality information to support decision-making and to monitor outcomes over time. To do this we need to ensure that the right information is available; that this information is used in decision-making by central and local government, businesses, and Māori; that the costs to those businesses and households that provide information are minimised; and that the Official Statistics System provides value for money.

To achieve this, my priorities for the Statistics portfolio are to:

- develop an agreed list of New Zealand's most important statistics
- develop a long-term plan to ensure business sustainability for Statistics New Zealand
- continue to improve and extend productivity measures and progress the development of institutional sector national accounts
- improve access to government-held information and data
- address duplication and exploit rationalisation opportunities
- ensure successful delivery of the 2011 Census of Population and Dwellings.

I believe these priorities will continue to increase the value we get from the Statistics portfolio and the Official Statistics System. I look forward to working with Statistics New Zealand over the next three years, to progress these priorities and maximise the value that is gained from the Official Statistics System.

I endorse the strategic direction outlined in this Statement of Intent as being aligned with the Government's overall priorities, and confirm that the information it contains is consistent with the Government's policies and performance expectations.

Ministerial Statement of Responsibility

In signing this statement, I am satisfied that the information on future operating intentions provided by my department in this Statement of Intent 2010–13 and the *Information Supporting the Estimates* is in accordance with sections 38, 40, and 41 of the Public Finance Act 1989, and is consistent with the policies and performance expectations of the Government.

Signed



Hon Maurice Williamson
Responsible Minister for Statistics
20 May 2010

Introduction from the Chief Executive

Official statistics tell the story of New Zealand and provide critical information that helps to shape the country. Relevant and trustworthy official statistics play a key role in lifting New Zealand's economic growth, and improving the country's social, environmental, and cultural well-being.

Given their importance for government, businesses, Māori, and the general public, it is essential that official statistics are valued and used. A major challenge for Statistics New Zealand over the next three years, and beyond, will be achieving wider use of official statistics to maximise their value to New Zealand. Another is ensuring, as leader of the Official Statistics System, that we work effectively across government in a shared way so that New Zealand gets the information it needs to grow and prosper. We will do this by:

- ensuring relevant, trustworthy, and accessible information is available to support decisions made by government, businesses, Māori, and the general public
- improving the awareness and accessibility of official statistics, to increase use and obtain more value from the Official Statistics System
- delivering an accepted and affordable portfolio of relevant and fit-for-purpose statistics, which will require transforming the way that the department produces its statistics
- prioritising, rationalising, and reducing duplication in the production of statistics across government and within the department, which will increase the value-for-money of the Official Statistics System and improve the sustainability of Statistics New Zealand.

Inevitably, taking up these opportunities, and the speed at which we can do this, will be dependent on the resources that are available. To continue producing key statistics, Statistics New Zealand will need to make significant changes. Prioritisation will be fundamental to balancing our budget in the short-term and maintaining sustainability over the long-term.

I look forward to working with our stakeholders, users, producers, and staff to make these necessary changes. I am pleased to present Statistics New Zealand's Statement of Intent 2010–13. I look forward to implementing the plan and activities set out in this document, and making a difference for New Zealand, over the next three years.

Chief Executive Statement of Responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in Statistics New Zealand's Statement of Intent 2010–13. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2010/11 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.

Signed



Geoff Bascand
Chief Executive and Government Statistician
20 May 2010

Countersigned



Michael Beever
Chief Financial Officer
20 May 2010

Nature and scope of functions

This section provides an overview of:

- the importance of official statistics
- our role and purpose.

The importance of official statistics

The Government has an overriding objective to grow the New Zealand economy so that New Zealanders can enjoy greater prosperity, security, and opportunity. This requires comprehensive and high quality information to inform decision-making and to monitor outcomes over time.

Official statistics are all statistics produced by government departments. Relevant and trustworthy official statistics play a key role in informing decisions and monitoring outcomes. For example, key economic decisions rely on a timely and accurate understanding of the economy and the forces driving it. Iwi and other groups use statistical information to progress their economic and social development, and track economic, social, environmental, and cultural well-being. Given their importance, for both the government and the general public, it is essential that official statistics are valued and used.

Our role and purpose

Statistics New Zealand administers the Statistics Act 1975 and leads New Zealand's national statistics system, which is called the Official Statistics System. The Official Statistics System is made up of the policies, practices, processes, underlying data sources, and people involved in producing and disseminating official statistics. All government departments are members of the Official Statistics System.

Statistics New Zealand's chief executive is also New Zealand's Government Statistician. One of the Government Statistician's key roles is to lead the Official Statistics System and coordinate statistical activities across government. To do this, the Government Statistician has the mandate to review the collection, production, analysis, and publication of all official statistics, and to comment on the validity of published statistics. Setting statistical standards for official statistics, and managing compliance with these, ensures that they are of sound statistical quality.

As well as providing assurance on the quality of official statistics, the Government Statistician ensures the suite of official statistics produced is relevant and provides value for money. Coordination is required across government to ensure that the most important statistics are prioritised and produced, and that there is no duplication in the system. Statistics New Zealand monitors the efficiency and performance of the Official Statistics System, so that the Government Statistician can provide policy and purchase advice to ministers.

Statistics New Zealand is also the major producer of official statistics, delivering and disseminating the most important statistics that require the highest levels of credibility and integrity.

The integrity of New Zealand's statistical system is reinforced by the independence of the Government Statistician, the operation of the Official Statistics System in line with the standards set by the Government Statistician for official statistics, and the provision of a separate national statistical office.

Managing in a changeable operating environment

This section provides an overview of:

- our operating environment
- our response to change
- our risk management.

Our operating environment

Statistics New Zealand is operating in an increasingly complex and changing environment. This Statement of Intent is based on an analysis of the environment within which the organisation is operating, and the changes that are expected to occur over the next three years. These changes include those in user demands, Māori development, the availability of statistical information, the country's fiscal environment, technological advances, and the department's long-term sustainability.

Increasing demand and expectations from users

Changes in social, economic, environmental, and cultural conditions increasingly challenge the relevance of existing statistics, methodologies, and classifications. Diversity in New Zealand's population broadens the scope of our 'world views'; people want to use statistics that are relevant to their own, distinctive views and circumstances. This can increase demand for more statistics, on more complex concepts, and at greater levels of detail. Users are seeking more information, but are also facing increased challenges in sorting through the large amount of information that is now available and identifying the most robust sources. In addition, global changes impact on what the department should be producing: from economic changes such as the collapse of financial lending institutions across the world, to new statistical developments such as the focus on measures of social well-being.

These changes are driving a greater focus upon ease of access and interpretation of information for users. The department needs to manage multiple, overlapping conceptual frameworks, and ensure that its statistics, methodologies, classifications, and frameworks remain relevant. The department must quickly respond to emerging and more diverse user demands, and at the same time maintain consistency of statistics over time and manage the cost of production.

Changes to Māori development and the environment, post-Treaty settlement

Over the next three years, the role and contribution of Māori in the economic, social, and demographic growth of the country will significantly increase. This growth will be underpinned by the redistribution of assets from Crown to iwi and the ongoing strengthening of Māori cultural connections. These changes will require Statistics New Zealand to consider the information needs of Māori and, in particular, to provide regional and iwi context in addition to national datasets.

Increasing availability of statistical information

Public and private sector organisations are increasingly using and publishing their own data as statistical information. While this increases the amount of statistical information available for users, it also leads to a proliferation of statistical indicators that are incomplete and inconsistent. Statistics New Zealand, as leader of the Official Statistics System, needs to ensure that the suite of official statistics is coherent, and that the statistics produced are trustworthy and of appropriate quality. Ensuring that statistics are consistent and adhere to the same classifications and standards, will make it easier for users to interpret and integrate information from different datasets.

Challenging fiscal environment

While the country's economy has started to recover following the recent global financial crisis, the public sector will continue to face pressure on its financial sustainability. The fiscal situation is still difficult and Statistics New Zealand, along with the rest of the public sector, will need to operate in a fiscal environment where, generally, there are smaller budgets, decreasing revenue from the Crown, and increasing spending pressures.

Technological changes

Technological advances provide Statistics New Zealand with both a challenge and an opportunity. People are becoming more technically capable, using the Internet for both business and social networking. Statistics New Zealand will need to collect and disseminate information in ways that meet user needs. Technology-based change will improve the organisation's ability to be responsive to users.

Changes in technology provide opportunities to improve the efficiency of a workforce. Keeping up to date with changes in technology can make the department more efficient and effective, but can also represent a challenge if good asset management processes are not in place. Opportunities for Statistics New Zealand arise from administrative information becoming better organised in government departments, and improvements being made in the statistical software being developed around the world, such as in other national statistical offices.

Challenging internal operating environment

Statistics New Zealand's long-term sustainability is at risk. Although the department has made significant savings in recent years, even greater steps are needed to make sure that it is able to keep delivering its suite of official statistics. There are currently a number of ageing information technology (IT) systems and statistical methodologies, which pose risks to the ongoing production of timely and accurate statistics. Statistics New Zealand needs to build its capability to ensure it can deliver in the future. The department must continue to find ways to work efficiently and drive production costs down, while minimising the cost to respondents, and continuing to respond to demands for fit-for-purpose statistics.

Our response to change

Statistics New Zealand regularly scans its operating environment. We will continue to regularly engage with our Official Statistics System partners, other national statistical offices, and our advisory committees, to identify changes in the environment that may impact upon our activities or priorities.

Our success over the next few years will depend on our ability to adapt to these changing circumstances. If Statistics New Zealand is to achieve its desired impact it needs to change. The department needs to think 'system first', look outwards, focus on what is important, and change the way that it operates.

Think 'system first'

Statistics New Zealand's strategic direction requires it to change focus from the production and dissemination of statistics, to also ensuring that New Zealand has the statistical information it needs to make decisions and monitor progress. This may be through the department's production of the statistics, or by ensuring that the information is produced and available somewhere else in the system. This requires the organisation to think outside its production role and think 'system first'.

Look outwards

To remain relevant in the rapidly changing environment in which it operates, Statistics New Zealand needs to become more responsive and agile. To increase the impact of official statistics on New Zealand, the organisation needs to become more influential and customer-focused.

Focus on what is important and change how we operate

In the current fiscal environment it is more important than ever that the statistical system uses its resources efficiently and effectively. With growing demands and a tighter fiscal environment, ensuring that services provide good value for money becomes particularly important.

Statistics New Zealand will need to make hard choices about what it does and how it does it. The department must continue to evaluate its current expenditure, identify lower priority spending, and drive production costs down. Its investment decisions will need to be judicious, based on strong management information, and guided by long-term asset and resource management plans. A challenge over the next three years will be targeting resources to priority areas and demonstrating the value of official statistics.

Improve business sustainability

To contribute to the Official Statistics System outcome and Government's goal, and ensure that the department is delivering value for money, Statistics New Zealand needs to transform the way it does business. There is a current imbalance between the demand for services, the funding available to meet the demand, and the investment required to develop and maintain the infrastructure and systems needed.

To this end, Statistics New Zealand has begun the 'Statistics 2020: Achieving the Statistical System of the Future' programme. The Statistics 2020 programme will deliver a comprehensive and long-term plan to address the department's current issues and move the organisation into a financially sustainable position. Statistics 2020 will underpin our long-term strategic direction, business planning, and investment planning. The programme will clarify how we are going to achieve our outcomes and prioritise our work. It will also ensure that we deliver value for money, by aligning all the department's activities and resources with the outcomes we aim for.

Our risk management

Our risk management framework assists managers and staff by providing a standard approach to risk management, while also providing managers with the flexibility to manage risk appropriately. This framework has been endorsed by the Statistics New Zealand Executive Board, and the Internal Audit and Risk Management Committee.

In our risk management framework, risks are split and managed according to type:

- strategic – high-level risks to the delivery of the department's outcomes and outputs, and achievement of the strategic direction are managed by the Statistics New Zealand Executive Board
- operational – risks managed at the business unit and line management levels
- project – risks to project delivery.

Strategic direction

This section provides an overview of:

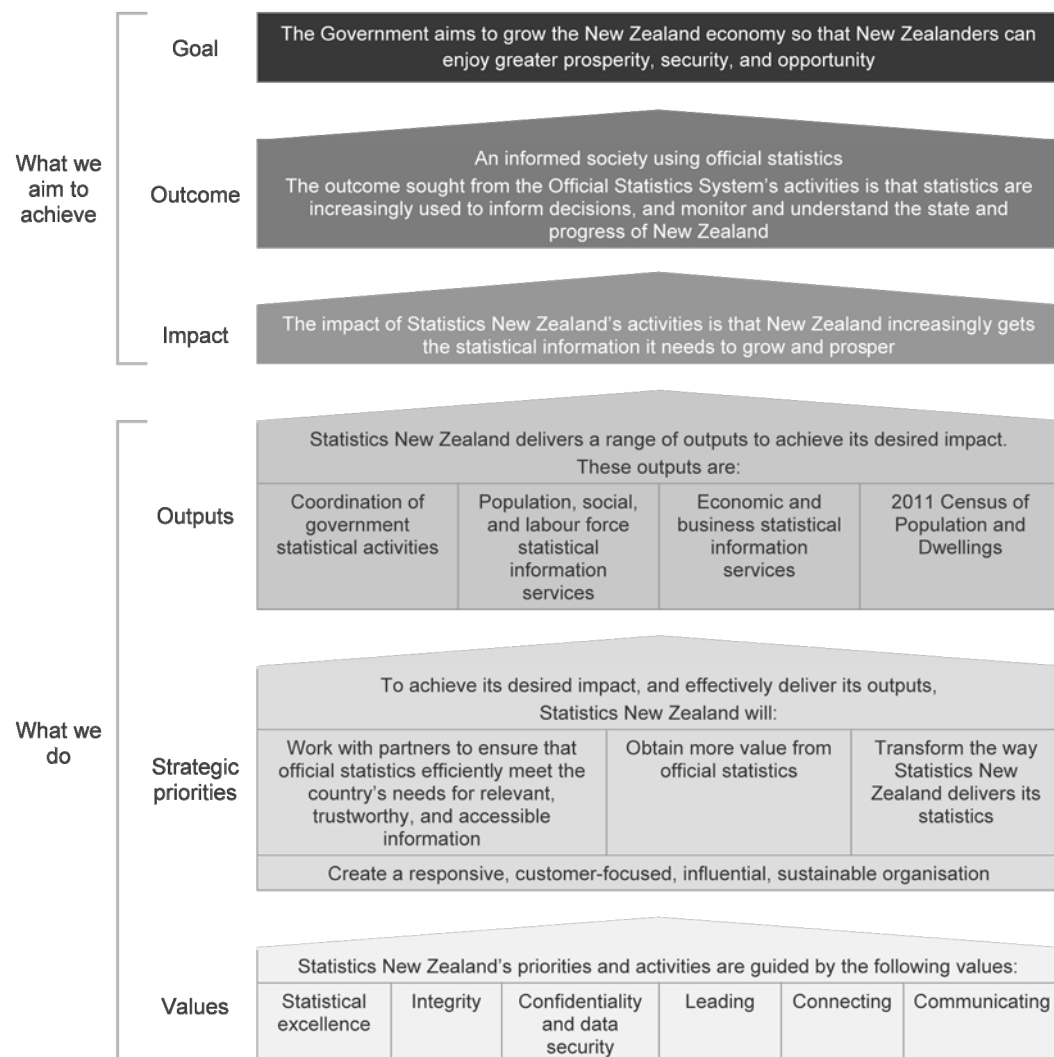
- our strategic framework
- our contribution to the Government’s goals
- the outcomes we are seeking
- the outputs we deliver
- the strategic priorities that guide our work.

Our strategic framework

Statistics New Zealand’s strategic framework (see figure 1) shows how the department’s operations (including its values, strategic priorities or focus areas, and outputs) contribute to achieving the Official Statistics System’s outcome and the Government’s goals.

Figure 1

Statistics New Zealand’s strategic framework



Our contribution to the Government’s goals

The Government has an overriding objective to grow the New Zealand economy so that New Zealanders can enjoy greater prosperity, security, and opportunity. This requires comprehensive and high quality information to support decision-making and to monitor outcomes over time. Relevant and trustworthy official statistics play a key role in this, by providing the information required. For example, impartial and reliable statistics on social outcomes and the productivity of the public sector enable government and the public to assess the value achieved from government spending. Official statistics are also needed by businesses to make sound investment decisions and improve their competitiveness in the world economy.

The Minister of Statistics has set specific priorities for the Statistics Portfolio. These priorities set out what Statistics New Zealand will do in the immediate future to achieve the Official Statistics System’s outcome and contribute to the Government’s goals. These priorities are reflected in the department’s key initiatives (see ‘Operating intentions’, page 18, and ‘Organisational health and capability’, page 23).

The outcomes we are seeking

Official Statistics System’s outcome: An informed society using official statistics

What are we seeking to achieve?

Official statistics report on and project New Zealand’s economic, demographic, social, and environmental situation. They give a picture of the country, how the economy and society is functioning, and the nature and causes of the country’s current position. Official statistics tell the story of a country’s development and at the same time help to shape it.

Increasing the use of statistical information by government, businesses, Māori, and the public will lead to better decisions, which will contribute to the growth of the economy, and improved social, environmental, and cultural well-being. For this reason, the Official Statistics System aims to foster a society in which official statistics are increasingly used to inform policy decisions, and monitor and understand New Zealand’s state and progress.

Given the importance of official statistics for achieving Government goals, and providing essential information for businesses, Māori and the general public, the outcome sought from New Zealand’s Official Statistics System is ‘an informed society using official statistics’ (see figure 2).

Figure 2

The Official Statistics System’s contribution to the Government’s goals



How do we demonstrate success?

Work is currently under way to improve Statistics New Zealand’s non-financial reporting, and meet the requirements set out in the new Auditor-General’s standard for auditing service performance reports. The department has developed main measures to monitor its progress toward the Official Statistics System’s outcome.

As Statistics New Zealand’s long-term Strategic Plan is developed and consulted on, the department’s performance measures may be refined. Through these processes, the department intends to develop targets or standards for each measure. It is anticipated that Statistics New Zealand’s Annual Report for the year ended 30 June 2010 will include the department’s finalised performance measures, information on actual performance against each measure, and the desired future trend or standard.

Table 1 shows how Statistics New Zealand intends to measure progress toward the Official Statistics System’s outcome. There are two key aspects to measuring the Official Statistics System’s outcome. The first is to measure whether the number of users is increasing, and the second is to monitor whether decisions are increasingly informed by official statistics. Where information on the measure is available, this has been included.

Table 1

Measuring progress: The Official Statistics System’s outcome

Success statement	Main measure	Progress
Increasing numbers of people use official statistics, to inform decisions, or monitor and understand the state and progress of New Zealand	The number of users of official statistics from key client groups (ministers, government departments, local government, businesses, Māori, and the public)	A survey of the public (with a sub-sample of Māori) has been commissioned, and will provide a robust independent measure of the proportion of respondents who have used official statistics. The results will be reported in the Statistics New Zealand Annual Report for 2009/10. It is planned to repeat the survey every few years to provide information on change over time. The public were identified as the first priority key client group for measurement. A rolling programme will be established to engage with other key client groups, and implemented progressively over the next few years.
Decisions are increasingly informed by official statistics	Use of official statistics in central government decisions	Various methods have been investigated but a suitable approach to obtain a robust measurement has not yet been identified. As this is such a crucial aspect of the outcome, the department will continue to devote resources to identifying an appropriate approach, and work with the Cabinet office and other government agencies to identify ways of measuring this.

Statistics New Zealand’s impact: New Zealand gets the statistical information it needs to grow and prosper

What are we seeking to achieve?

The Official Statistics System outcome of ‘an informed society using official statistics’ reflects the department’s aim to increase the value of statistical information to New Zealand. For this to happen, the right information needs to be produced. It is also essential that the statistical information produced is used so that New Zealand gains maximum value from its investment in official statistics.

While all government departments contribute to ensuring that the right statistics are produced, valued, and used, as the leader of the Official Statistics System, Statistics New Zealand has a particular role to play. The department works with its Official Statistics System partners to create an agile, responsive, and relevant statistical system that produces the information New Zealand

needs. It does this by leading system planning, standard setting, and monitoring, as well as producing a significant proportion of the country’s official statistics.

Given these roles, the contribution that Statistics New Zealand makes to the achievement of an informed society using official statistics is in ensuring that ‘New Zealand increasingly gets the statistical information it needs to grow and prosper’ (see figure 3).

Figure 3

Statistics New Zealand’s contribution to the Official Statistics System



How do we demonstrate success?

Table 2 shows how Statistics New Zealand intends to measure progress toward its desired impact. Where information on the measure is available, this has been included.

Table 2

Measuring progress: Statistics New Zealand’s desired impact

Success statement	Main measure	Progress
Official statistics are relevant, trustworthy, and produced efficiently	Compliance with standards set by the Government Statistician for official statistics	Statistics New Zealand surveys departments’ compliance with each of the Official Statistics System Principles and Protocols for Tier 1 statistics. This annual survey found that the majority of agencies complied with the three protocols that have been measured. One agency requires improvement against the quality protocol, and two agencies require improvement against the release practices protocol.
The most important statistical information required is known and produced within the Official Statistics System	Cabinet approval of revised set of Tier 1 statistics and progress towards filling gaps	Tier 1 statistics are the most important official statistics produced by government. It is planned that Statistics New Zealand will report to Cabinet on a revised set of Tier 1 statistics in 2010 /11.
	The number of domain plans that are current and applied	A domain plan is intended to capture the statistical activity and requirements of a particular social, economic, or environmental area. The department has identified the need for 18 domain plans. In the 18 months to January 2010, six had been agreed with relevant government departments, and a further five were under way. Changing work priorities have meant that work has yet to commence, and may not commence in the next year, on the remaining seven.
Users trust official statistics	Levels of reported trust in official statistics	A public opinion survey has been commissioned that will provide results on the levels of trust in official statistics.
Official statistics are accessible	Awareness of official statistics	A public opinion survey has been commissioned to measure results on the awareness of official statistics.
	Direct contact with official statistics	The primary way that users have contact with official statistics is through the Statistics New Zealand website. Unique visitor numbers will be benchmarked against 2009/10 levels (when the new Statistics New Zealand website was introduced) to measure progress.
	Satisfaction with accessibility	A public opinion survey has been commissioned to provide results on the satisfaction with availability of official statistics. The first year of the rolling programme will target the general public, with a sub-sample of Māori.

The outputs we deliver

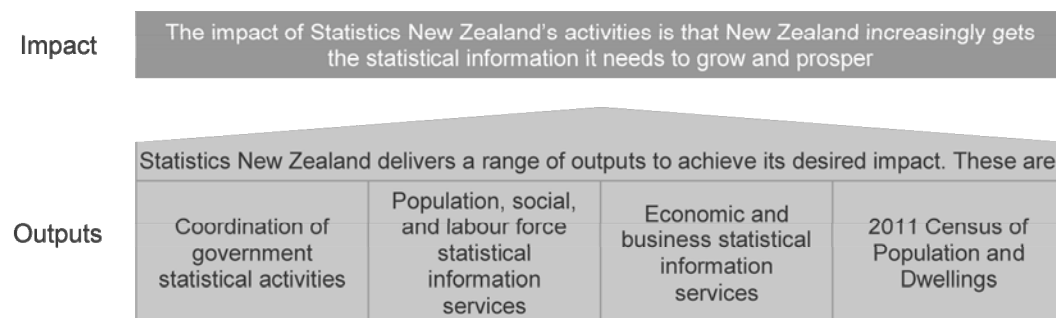
What are we seeking to achieve?

To progress our strategic direction we must review and choose the right mix of initiatives and outputs. Statistics New Zealand is funded through Vote Statistics, which receives two appropriations (a multi-class output appropriation for official statistics, and a multi-year appropriation for the Census of Population and Dwellings). These appropriations cover the following outputs (see figure 4):

- coordination of government statistical activities
- population, social, and labour force statistical information services
- economic and business statistical information services
- delivery of the 2011 five-yearly Census of Population and Dwellings.

Figure 4

Outputs that ensure Statistics New Zealand has its desired impact



The outputs and activities covered by these appropriations are important for:

- providing assurance that official statistics are relevant, of an appropriate quality, and represent value for money
- improving access to, and obtaining more value from official statistics, by providing users with the tools and skills by which official statistics can be understood and used
- informing important policy decisions, including allocation of funding and services for health, education, and transport.

For further information on Statistics New Zealand's outputs, see the *Estimates of Appropriation* for Vote Statistics.

How do we demonstrate success?

For the main measures for assessing Statistics New Zealand's performance in delivering its outputs, see the *Estimates of Appropriation* for Vote Statistics.

The strategic priorities that guide our work

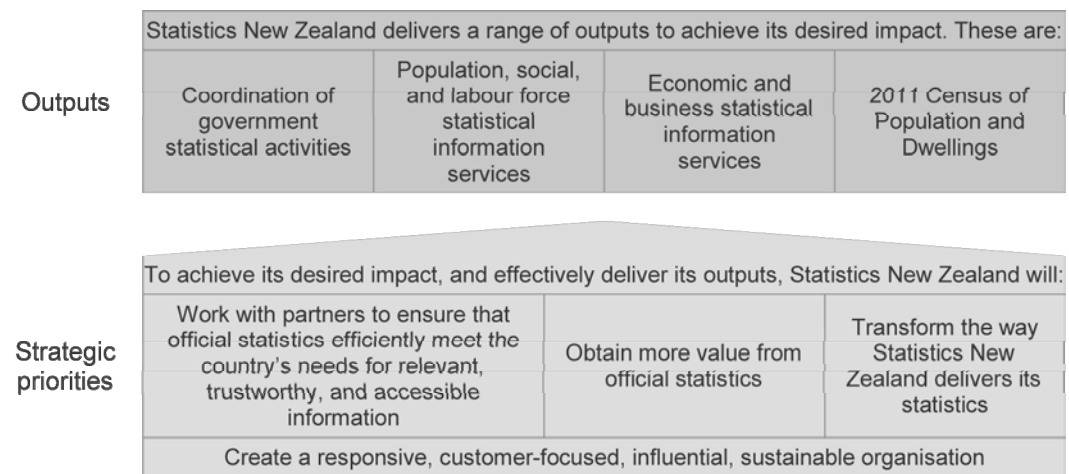
What are we seeking to achieve?

Statistics New Zealand has identified four strategic priorities that will provide focus for the department’s work for the next three years. In identifying these priorities, the department has taken into account its role, the outcomes it is working towards, its internal and external environment, and the changes required of the organisation.

Figure 5 shows how these strategic priorities guide Statistics New Zealand’s outputs, to ensure the department achieves its impact of giving New Zealand the statistical information it needs to grow and prosper.

Figure 5

Statistics New Zealand’s strategic priorities and outputs



How do we demonstrate success?

Statistics New Zealand’s strategic priorities provide focus for the department’s work programme, and guide the department in setting its work programme. We know that we are focused on the right priorities when our outputs meet set quantity, quality, and cost standards (see the *Estimates of Appropriation for Vote Statistics*), and progress is shown in achieving the department’s desired impact and outcomes (see ‘Statistics New Zealand’s impact: New Zealand gets the statistical information it needs to grow and prosper’, page 14).

Operating intentions

This section reports on three of the four strategic priorities that guide our activities, and jointly contribute to the outcome and impact sought from the Official Statistics System. They are to:

1. work with partners to ensure that official statistics efficiently meet the country's needs for relevant, trustworthy, and accessible information
2. obtain more value from official statistics
3. transform the way Statistics New Zealand delivers its statistics.

We report on the fourth priority in the next section, 'Organisation health and capability' (page 23).

Work with partners to ensure that official statistics efficiently meet the country's needs for relevant, trustworthy, and accessible information

What are we seeking to achieve?

Statistics New Zealand works with partners to ensure that official statistics efficiently meet the country's needs for relevant, trustworthy, and accessible information. The Official Statistics System has a clear and comprehensive set of official statistics that reflect agreed priorities across government. These statistics can be linked together to tell stories about the country.

Decision-making in the Official Statistics System is well-informed and responsive to Māori statistical needs and interests; Statistics New Zealand produces high quality official statistics that are relevant to Māori, and that promote and consider Māori needs and aspirations across the Official Statistics System.

Statistical information produced by government departments is widely available. Government departments release, store, and archive their data, so that it can be accessed and understood by all users. The legislative framework for the Official Statistics System allows appropriate access to data.

Government departments produce statistics cost-effectively, and share statistical infrastructure and capability. Resources are used to produce the statistics that are needed most. No duplication occurs across the Official Statistics System. The legislative framework is fit for the 21st century.

Statistics New Zealand is influential across government and the department's leadership of the Official Statistics System is recognised. Producers of official statistics work together, focusing on a common objective.

What will we do to achieve this?

This priority will need all partners to participate actively, and Statistics New Zealand to lead effectively. Statistics New Zealand, in its leadership role, will employ a collaborative approach, working to support others' participation in the Official Statistics System. This will be supplemented by a programme of work that will increasingly ensure compliance with the required standards, principles, and protocols.

To provide effective leadership Statistics New Zealand will commit resources and capability to shared outcomes. The department will think outside the agency and be prepared to put sector outcomes ahead of agency priorities. The department will support the Official Statistics System in achieving its outcomes by:

- leading system strategy development and planning
- setting standards for official statistics and managing compliance with them
- monitoring the health and performance of the Official Statistics System
- providing policy and purchase advice to ministers
- providing expert advice to other government departments, including on how to be responsive to Māori statistical needs and interests
- working across the system, providing coordination and support activities, and developing capability.

To achieve this priority, over the next three years Statistics New Zealand will:

- update the agreed list of New Zealand’s most important statistics (known as Tier 1 statistics)
- complete a review of statistical investment across government, to identify opportunities for rationalisation of statistics and collaboration across agencies
- improve access to government-held information and data, and continue to be involved in the Open Government Data and Information Re-Use Work Programme
- address legislative constraints to improve access to microdata (data about individuals, households, and businesses) by researchers, with appropriate protections maintained
- proactively engage with Official Statistics System partners, to achieve greater ownership of the system among government agencies
- improve the use of official statistics in policy advice and Cabinet papers
- assure the quality and integrity of Tier 1 statistics, by measuring adherence to the Official Statistics System principles and protocols.

These initiatives are funded through Vote Statistics’ Multi-Class Output Appropriation, Output Class 1: Coordination of government statistical activities. For further information on Statistics New Zealand’s outputs, see the *Estimates of Appropriation* for Vote Statistics.

How will we demonstrate success?

We will know that we are focused on the right priorities, and that initiatives we undertake are most appropriate, when we meet the quantity, quality, and cost standards for the outputs that are associated with this strategic priority, and progress is shown in achieving the department’s desired impact and outcomes. For further information on the relevant output measures and standards, see the Multi-Class Output Appropriation, Output Class 1: Coordination of government statistical activities, in the *Estimates of Appropriation* for Vote Statistics.

Obtain more value from official statistics

What are we seeking to achieve?

Statistics New Zealand will ensure New Zealand gets more benefit from its investment in official statistics, by increasing the use of official statistics. Official statistics are used to support public and private sector decisions. Statistics are also used by New Zealanders to hold government to account, and to tell the story of New Zealand and the people who live here.

New Zealanders are aware of the importance, relevance, and integrity of official statistics and the system that collects and maintains them. They know what statistical information is available and how it benefits them.

All potential users are able to access data, commentary, supporting information, and publications in appropriate ways. The products and services available meet users' needs and capabilities, giving them the greatest possible access to and use of data.

Data is understood by users, and New Zealanders are capable users of statistics, knowing how to apply the information to their situations. Statistics are widely used and valued for their contribution to decision-making. Government, businesses, and the general public know how to use statistical information, and they use it well. Data is being reused many times, and Statistics New Zealand has robust systems and processes in place to understand what users need and how they use statistics.

What will we do to achieve this?

Statistics New Zealand will maximise the value of the Official Statistics System by ensuring that the information produced is used to the benefit of New Zealand. We will focus on ensuring that users and potential users are aware of the information that is available, are able to easily access the data with user-focused products and services, and are capable of using the statistics.

The department will expand the user base of official statistics, by improving awareness of the range of official statistics available, promoting the value of official statistics, and ensuring statistics are used by key decision-makers. To maximise the use and reuse of official statistics, the department will educate users on how to access and use them.

Statistics New Zealand will build on its customer focus, providing products and services that meet users' needs and capabilities. The department will develop innovative products and services that engage users and make access to official statistics easy. Statistics New Zealand will ensure its tools and infrastructure can be shared, where appropriate.

To achieve this priority, over the next three years Statistics New Zealand will:

- improve the collection and use of market intelligence (information about users and potential user needs), to inform the development of products and services
- continue to expand the use of geospatial techniques
- offer effective channels, products, and services to access statistics.

These initiatives are funded through Vote Statistics' Multi-Class Output Appropriation, Output Class 1: Coordination of government statistical activities. For further information on Statistics New Zealand's outputs, see the *Estimates of Appropriation* for Vote Statistics.

How will we demonstrate success?

We will know that we are focused on the right priorities, and that our initiatives we undertake are most appropriate, when we meet the quantity, quality, and cost standards for the outputs that are associated with this strategic priority, and progress is shown in achieving the department's desired impact and outcomes. For further information on the relevant output measures and standards, see the Multi-Class Output Appropriation, Output Class 1: Coordination of government statistical activities, in the *Estimates of Appropriation* for Vote Statistics.

Transform the way Statistics New Zealand delivers its statistics

What are we seeking to achieve?

Statistics New Zealand aims for a future in which its portfolio of statistics is up-to-date, produced cost effectively, and of appropriate quality. These statistics tell a comprehensive story about New Zealand. New statistics are added as required, others discontinued when they are no longer needed. The methodologies, classifications, and frameworks for current statistics are updated to reflect the world as it changes. Statistics New Zealand considers the relevance, quality, and cost of each output when prioritising its activities and when making decisions about what statistics should be produced.

Statistics New Zealand is a model of sound practice for statistical production, with standard processes and infrastructure across collections. The department's operations are agile and statistical outputs reach the market quickly. Information is collected once, produced using common classifications and standards, and shared across government for statistical purposes. Administrative data is employed as the first source, supplemented by direct collection where necessary. In designing statistical collections, Statistics New Zealand considers how multiple needs can be met in one collection. Statistical outputs meet their design requirements and are produced to agreed quality standards.

What will we do to achieve this?

Statistics New Zealand's approach to transforming the way it delivers its statistics is to adopt a generalised business process model, broad statistical architectures, and standardised tools and platforms. The generalised business process model applies to all outputs and allows different phases of the production process to be standardised and to use common tools and platforms. Statistical architectures group common outputs into integrated design clusters to make maximum use of existing data, and employ common collection, dissemination, processing, and statistical systems. Where there is no anticipated reuse or commonality of a statistical output, a single-fit, lowest-cost system may be used. In re-engineering the way Statistics New Zealand delivers its production function, the department must balance the need to standardise its outputs, with the need to maintain the relevance, quality, and fitness of the data.

To ensure that its statistical outputs remain continually relevant and fairly reflect New Zealand's progress, the department will need to:

- undertake regular statistical reviews, according to an agreed programme, which may, where necessary, result in the redevelopment of existing statistics
- develop and introduce new classifications and frameworks that reflect both real world changes and changes in good statistical practice
- ensure the quality of its statistics meet agreed, fit-for-purpose standards, such as the time to market, sampling error, response rate, frequency, or level of analysis that accompanies data
- regularly monitor and, where necessary, introduce or adjust collections to reflect changes in the real world, such as new policy initiatives.

To achieve this priority, over the next three years Statistics New Zealand will:

- determine the long-term approach and framework for social and population statistics
- successfully deliver the 2011 Census of Population and Dwellings
- implement standardised, flexible platforms for business and economic statistics
- develop an enhanced collections strategy, including planning for a new collections platform and pursuing electronic data collection
- consolidate the core set of concepts, business processes, and methodologies that will underpin statistical production
- continue to expand the use of data from government's administrative systems
- implement a new standard data dissemination platform
- continue to improve and extend productivity measures
- enhance income and savings estimates, through the development of institutional sector national accounts
- ensure the continued relevance of the basket of goods and services for the consumers price index
- ensure that economic industry statistics remain relevant through the continued introduction of the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06)
- maintain the reliability of the services component of the balance of payments, through undertaking a benchmarking census of trade in services
- maintain focus on quality management
- improve metadata management
- continue to deliver a suite of relevant and trustworthy population, social, labour force, business, and economic statistics, as scheduled in the release calendar.

These initiatives are funded through Vote Statistics' Multi-Class Output Appropriation, Output Class 2: Population, social, and labour force statistical information services, and Output Class 3: Economic and business statistical information services, as well as the Multi-Year Appropriation for the 2011 Census of Population and Dwellings. For further information on Statistics New Zealand's outputs, see the *Estimates of Appropriation* for Vote Statistics.

How will we demonstrate success?

We will know that we are focused on the right priorities, and that our initiatives we undertake are most appropriate, when we meet the quantity, quality, and cost standards for the outputs that are associated with this strategic priority, and progress is shown in achieving the department's desired impact and outcomes. For further information on the relevant output measures and standards, see the Multi-Class Output Appropriation, Output Class 2: Population, social, and labour force statistical information services, and Output Class 3: Economic and business statistical information services, as well as the Multi-Year Appropriation for the 2011 Census of Population and Dwellings, in the *Estimates of Appropriation* for Vote Statistics.

Performance improvement actions

Statistics New Zealand has identified several actions that it will implement over the short-term, to improve the efficiency and effectiveness of the department's performance. These performance improvement actions are detailed in the *Estimates of Appropriation* for Vote Statistics.

Organisational health and capability

This section reports on Statistics New Zealand's plans to strengthen its organisational health and capability, and create a responsive, customer-focused, influential, sustainable organisation.

Create a responsive, customer-focused, influential, sustainable organisation

What are we seeking to achieve?

Statistics New Zealand aims to be a responsive, customer-focused, influential, sustainable organisation. The department anticipates and responds to the needs of stakeholders, and manages expectations at the same time. Statistics New Zealand works with other government departments to provide effective statistical products and services, and deliver innovative customer-focused initiatives. Customers are satisfied with the service provided.

Statistics New Zealand's leadership of the Official Statistics System is recognised nationally and internationally. The department is influential, and through this increases the impact of official statistics. This is demonstrated by other government departments and national statistical offices coming to Statistics New Zealand for advice.

The department is financially sound and efficient, working within its allocated resources. There is a high level of certainty about its future financial and resource requirements. Statistical and IT systems are current and standardised. Statistics New Zealand re-invests in assets, as appropriate, and these assets are well managed. The organisation plans ahead, is forward looking, and makes effective and timely decisions based on evidence from good management information. The department is agile, with the right people doing the right work, who are effective and responsive to change. The department is well-connected internationally, with other national statistical offices and international organisations.

What will we do to achieve this?

Statistics New Zealand's approach to achieving a responsive, customer-focused, influential, sustainable organisation will be based on forward planning and ensuring there are appropriate systems, processes, and training opportunities available to support these plans.

Statistics New Zealand's approach will include:

- building strong relationships with other government departments and national statistical offices
- using common platforms and shared tools, and having fewer unique systems and tools
- managing assets to ensure they meet business continuity requirements and align with the department's delivery approach
- ensuring business decisions are informed by good management and market information, including information about users of products and services
- developing a clear people strategy that is driven by Statistics New Zealand's strategic direction, and includes leadership, engagement, the required competencies, and workforce planning.

To achieve this priority, over the next three years Statistics New Zealand will:

- develop a long-term plan to ensure business sustainability
- continue to reduce discretionary expenditure, and make cost savings and efficiency gains, where possible
- report on initial results of our activity-based costing model, which will identify cost per output and activity
- continue developing our approach to asset management
- continue to migrate and redevelop out-of-date legacy IT systems onto common, supported platforms
- continue to develop common, supported platforms
- strengthen our workforce planning and monitoring
- attract and recruit the right people, with the right skills for the right job
- continue to develop core technical and leadership skills
- continue to improve staff engagement through regular surveying and workshops
- improve and integrate management information and organisational intelligence (information about the organisation’s customers, environment, and performance)
- continue to improve project and programme management.

Strong, positive corporate values will drive the positive behaviour needed to achieve the organisation’s strategic direction. Development and maintenance of these values is vital in building a responsive, customer-focused, influential, sustainable organisation. Our values are:

- **Leading** – We provide direction, share our vision, and focus on what’s important. We are confident and assured; take ownership while accepting accountability and responsibility; and role model behaviours that empower others.
- **Connecting** – All our activities are connected to our strategic direction. We connect the information we have with the needs of the community. We tell meaningful stories and make the knowledge we hold engaging and useful for New Zealanders. We know we achieve better results when we work with others, sharing ideas, information, and best practice.
- **Communicating** – We communicate with one another clearly, transparently, and with respect. In all aspects of our interactions with others, we are aware of and understand our audiences, and adapt our communications to suit their needs. We encourage people to be excited by our statistics by presenting information in ways that are clear, relevant, and engaging for New Zealanders.

Statistics New Zealand’s cornerstone principles are:

- **Statistical excellence** – We produce relevant, accurate, and timely data with useful in-depth analysis. We aim to continually improve our technical and quality standards to foster a professional organisation and provide leadership for the Official Statistics System.
- **Integrity** – Integrity is about being ethical and meeting the high standards of practice required by Statistics New Zealand and the public sector. The statistics we produce are objective and trustworthy, and we are transparent in the methods we use.
- **Confidentiality and data security** – We set the highest standards for protecting the confidentiality and security of data. Our reputation is one of our most valuable assets. It strengthens public trust and cooperation, and we go to great lengths to maintain it.

How will we demonstrate success?

We will know that the initiatives are effective in strengthening the department’s organisational health and capability when we meet the standards for the performance measures for this strategic priority, and progress is shown in achieving the department’s desired impact and outcomes. Table 3 shows how Statistics New Zealand intends to measure progress toward this strategic priority. Where information on the measure is available, this has been included.

Table 3

Measuring progress: Creating a responsive, customer-focused, influential, sustainable organisation

Success statement	Main measure	Progress
Statistics New Zealand is customer-focused	Statistics New Zealand’s reputation for customer service, evidenced by feedback captured from key stakeholders, users and respondents	<p>During 2009, for all of the quarterly customer satisfaction surveys, 100 percent of clients rated the service they received as ‘Good’, ‘Very good’, or ‘Excellent’.</p> <p>In the State Services Commission’s Kiwis Count Survey satisfaction with "Contact with Statistics New Zealand to get information about taking part in a survey" rose two points from 65 (2007) to 67 (2009).</p>
Statistics New Zealand is efficient and effective	<p>Cost-efficiency across Statistics New Zealand</p> <p>Number of legacy information technology systems in use</p>	<p>A static activity-based costing model is being developed, which will allow the department to benchmark its costs.</p> <p>At June 2009, the following systems were classified as legacy:</p> <ul style="list-style-type: none"> • Microsoft Access • Visual Basic • C++ • SuperCross and SuperStar (Version 3 or older) • Centura • SPROCET (Survey Processing Template) • SAS (AF). <p>The majority of Statistics New Zealand’s collections rely on one or more of these infrastructure systems.</p>
Statistics New Zealand’s staff are engaged with their work and the department	Employee engagement rates	<p>Statistics New Zealand’s first staff engagement survey was conducted in 2008/09. The employee engagement index for the department was 71.1 percent (compared with the sector benchmark of 72.4 percent).</p>
Statistics New Zealand’s has the right people with the right skills	<p>The number of core capability gaps across the department, and improvements against benchmark levels</p> <p>The percentage of learning and development plans that are in place by 31 October</p> <p>Staff tenure and turnover, for targeted groups and roles</p>	<p>During 2008/09, the following core capability gaps were identified:</p> <ul style="list-style-type: none"> • written communication • cost-benefit analysis • analytical and conceptual thinking. <p>During 2009/10 a Statistics New Zealand Plain English Standard was developed, and training rolled out across the organisation.</p> <p>By 31 October 2009, 73 percent of staff had learning and development plans in place.</p> <p>Statistics New Zealand’s median staff tenure, at June 2009, was 3.7 years, and the average staff tenure was 7.8 years.</p> <p>The department’s unplanned turnover (resignations, retirements, and severances) of core staff was 12 percent at June 2009.</p> <p>Unplanned turnover was highest, at June 2009, for staff who had been with the department for 1.0-1.9 years (27 percent), and 2.0-2.9 years (26 percent). Turnover was lowest for staff who had been with the department for over 10 years (2 percent).</p>

Our capital intentions

Statistics New Zealand maintains a number of systems to collect, process, and disseminate statistical information. Investments are made to maintain and redevelop these systems to reflect changes in technology and the nature of statistical activities. New systems are also developed to manage any new area of statistics.

Statistics New Zealand needs a considerable amount of capital investment. However, the pressure on its operating funding is such that the organisation cannot currently afford depreciation expenditure to fulfil its capital investment needs. The department's priorities for capital expenditure in 2010/11 are to:

- implement a programme to upgrade or replace old technologies
- build the infrastructure that will enable future systems to be developed according to our technology and methodological directions
- support the 2011 Census of Population and Dwellings.

Table 4 shows estimated capital expenditure from 2010/11 to 2013/14.

Table 4

Statistics New Zealand's capital expenditure

2010/11 to 2013/14

Capital expenditure	2010/11	2011/12	2012/13	2013/14
\$(000)				
Intangible assets				
Statistical systems development and software	9,000	7,000	8,000	8,000
Property, plant, and equipment				
Corporate infrastructure, furniture, and fittings	200	200	200	200
IT infrastructure	6,800	14,800	10,800	8,800
Total property, plant, and equipment	7,000	15,000	11,000	9,000
Total capital expenditure	16,000	22,000	19,000	17,000

Table 5 shows budgeted and actual capital expenditure from 2004/05 to 2010/11.

Table 5

Statistics New Zealand's capital expenditure

2004/05 to 2010/11

Capital expenditure	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2009/10	2010/11
	Actual	Actual	Actual	Actual	Actual	Budgeted	Estimated actual	Budgeted
\$(000)								
Intangible assets								
Statistical systems development and software	4,950	6,984	5,447	2,648	6,426	8,467	5,197	9,000
Property, plant, & equipment								
Corporate infrastructure, furniture, and fittings	871	7,024	191	1,924	84	200	200	200
IT infrastructure	4,279	2,666	1,652	3,334	5,925	6,703	6,703	6,800
Other	54	64	13	78	0	0	0	0
Total property, plant, & equipment	5,204	9,754	1,856	5,336	6,009	6,903	6,903	7,000
Total capital expenditure	10,154	16,738	7,303	7,984	12,435	15,370	12,100	16,000