



Capping the Size of Core Government Administration – 30 June 2016 Update

Introduction

1. This paper provides an update as at 30 June 2016 on the numbers of full-time equivalent (FTE) staff and unfilled vacancies in the core government administration¹.

Background

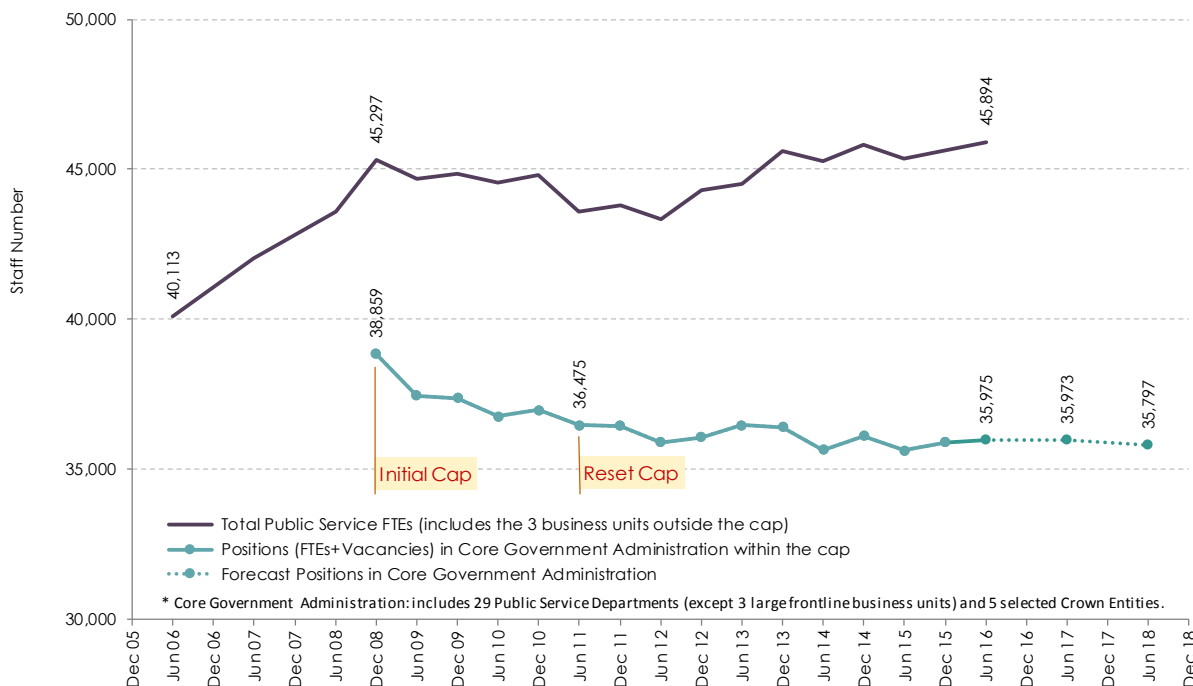
2. The State Services Commission (SSC) monitors and reports regularly to Cabinet on the Government's cap on core government administration. The cap covers 34 agencies (29 Public Service departments and 5 large Crown Entities).
3. On 16 March 2009, Cabinet set the cap at 38,859 full-time equivalent (FTE) positions. This comprised the total of FTE staff and unfilled vacancies at that time.
4. On 5 March 2012, Cabinet agreed that the cap on the size of core government administration be reset at the lower level of 36,475 FTE positions.
5. The number of communications and public relations advisors employed in the Public Service is also monitored. The number of communications and public relations advisors employed in the Public Service as at 31 December 2008 was 321 FTE staff.
6. The cap is managed at a global level; however, administratively agencies are required to notify the State Services Commissioner if their staff numbers exceed the level indicated at the time the cap was established.

Capping update

7. As at 30 June 2016, there were 35,975 FTE positions in the core government administration. This is 500 positions under the reset cap and is an increase of 58 FTE positions from 31 December 2015.
8. The number of core government administration FTE positions is forecast to decrease slightly to 35,973 by 30 June 2017 and further decrease to 35,797 by 30 June 2018
9. Figure 1 on the next page shows the long term staffing trends within the cap. The bottom (blue) line shows total FTE positions for core government administration under the cap. The overall capping number is trending downward and remains under the reset cap. The top line shows the total FTE staff numbers employed in the Public Service. This includes the three large frontline business units (the Corrections Service; Child Youth and Family; and Work and Income), which are excluded in the cap.

¹ Core government administration – Cabinet defined this group to include the 29 Public Service departments but excluding the three large frontline services (the Corrections Service; Child Youth and Family; and Work and Income), with the addition of five medium to large crown entities (Housing New Zealand Corporation, New Zealand Qualifications Authority, New Zealand Transport Agency, New Zealand Trade and Enterprise and the Tertiary Education Commission).

Figure 1: Trends in Public Service and Core Government Administration Staff Numbers



10. While there has been a slight increase in the last six months to June 2016, agency movements are more variable (see Appendix 1). Notable changes are described in the next section.
11. There were 271.9 FTE communications and public relations advisors in the Public Service as at 30 June 2016, down from 291.2 FTEs as at 30 June 2015 (see Appendix 2). Communications staff numbers fluctuate due to the small numbers employed in each agency, but remain well below 321.3, the number originally noted in 2009.

Key Changes since December 2015 Update

12. The disestablishment of the Canterbury Earthquake Recovery Authority (CERA) in April 2016 led to some of its 308 staff being transferred to other agencies and to local authorities.
13. In addition to the disestablishment of CERA, five agencies had notable changes in FTE position numbers between 31 December 2015 and 30 June 2016:
 - 13.1 The Ministry of Business, Innovation and Employment increased by 226 as the result of increasing demand pressures particularly for immigration services, acquiring new functions (the Intellectual Property Office, Standards NZ, the Government Property Group and some functions from CERA) and the introduction of new services in the Companies Office, the Labour inspectorate and Government Procurement.
 - 13.2 The Ministry of Education had a seasonal increase of 135. Special Education support worker staff are employed during the school terms and so are not included in the December count.
 - 13.3 The Department of Prime Minister and Cabinet increased by 85, largely due to the transfer of a number of fixed-term CERA staff.
 - 13.4 The Department of Conservation had a seasonal decrease of 218. The department employs a large number of fixed-term employees to undertake field work through the summer months.
 - 13.5 The Ministry of Justice decreased by 120 in line with their operating model review in 2015.

Machinery of Government Changes

14. A number of MoG changes are planned over the next 12 months. These changes will bring new entities and functions into the Public Service and include:
15. The creation of the Ministry for Vulnerable Children, Oranga Tamariki in April 2017. This will affect approximately 3,100 staff.
16. The redefinition of the New Zealand Security Intelligence Service as a Public Service department with approximately 300 staff.
17. The merger of Careers New Zealand into the Tertiary Education Commission (TEC) in 2017. This will increase TEC by 120-130 positions.
18. Staff of these entities have previously been excluded from the cap and will continue to be exempt.

Consultation

19. All 28 Public Service departments² and the five selected Crown entities provided staffing information for this report via the SSC's annual Human Resources Capability survey.

State Services Commission
November 2016

2. This is one agency less than previously surveyed as CERA was disestablished in April 2016, prior to the survey date. Paragraph 2 of this paper refers to 29 Public Service departments as it refers to all agencies included in the cap at the start of the reporting period when CERA was still established.

Appendix 1: Capping staff position* update at 31 December 2015 for Public Service Departments and Selected Crown Entities

Agency	30 Jun-2011	30 Jun-2015	30 Dec-2015	30 Jun 2016	Change – Dec 2015 to June 2016
Core Government Administration - Public Service Departments					
Ministry for Business, Innovation & Employment	3,293	3,024	3,083	3,309	226
Canterbury Earthquake Recovery Authority	5	419	308	-	-308
Chief Executives	29	26	26	25	-1
Department of Conservation	2,217	1,976	2,178	1,960	-218
Department of Corrections (excluding Corrections Services)	716	681	682	679	-3
Crown Law Office	205	179	180	179	-1
Ministry for Culture & Heritage	123	115	115	113	-2
New Zealand Customs Service	1,272	1,204	1,212	1,225	13
Ministry of Defence	72	64	77	93	16
Ministry of Education	2,609	2,686	2,619	2754	135
Education Review Office	216	217	216	216	0
Ministry for the Environment	350	328	332	351	19
Ministry of Foreign Affairs & Trade	938	851	856	876	20
Government Communications Security Bureau	344	381	403	403	0
Ministry of Health	1,290	1,149	1,146	1,149	3
Inland Revenue Department	5,946	5,963	5,877	5,869	-8
Department of Internal Affairs	2,223	2,201	2,196	2,185	-11
Ministry of Justice	3,363	3,574	3,569	3,449	-120
Land Information New Zealand	499	574	587	656	69
Māori Development / Te Puni Kokiri	380	286	300	308	8
Ministry for Pacific Peoples	45	37	39	42	3
Ministry for Primary Industries	2,348	2,386	2,481	2,490	9
Department of the Prime Minister & Cabinet	124	175	173	258	85
Serious Fraud Office	39	50	55	51	-4
Ministry of Social Development (excluding CYF, W&I)	2,269	1,656	1,709	1,713	5
State Services Commission	135	121	116	121	5
Statistics New Zealand	928	881	910	919	10
Ministry of Transport	176	155	155	155	0
The Treasury	390	482	479	534	55
Ministry for Women	36	28	28	26	-2
Public Service Total (within the cap)	32,580	31,871	32,105	32,106	1

Agency	30 Jun-2011	30 Jun-2015	30 Dec-2015	30 Jun 2016	Change – Dec 2015 to June 2016
Core Government Administration - Selected Crown Entities					
Housing NZ Corporation	1,244	1,118	1,141	1,151	10
NZ Qualifications Authority	430	450	450	450	0
NZ Trade and Enterprise	602	595	586	606	20
NZ Transport Agency	1,372	1,387	1,423	1,450	27
Tertiary Education Commission	248	212	212	212	0
Crown Entity Total	3,895	3,762	3,812	3,869	57
Core Government Administration Total **	36,475	35,632	35,917	35,975	58
Business Units excluded from Cap					
Corrections Services	6,897	7,242	7,097	7,113	16
Work & Income (MSD)	4,054	5,624	5,796	5,740	-56
Child, Youth & Family (MSD)	3,178	3,194	3,137	3,251	114
Business Units excluded from Cap - Total	14,129	16,060	16,030	16,104	74
Public Service & Selected Crown Entity Total	50,604	51,692	51,947	52,079	132

Note: Numbers may not add due to rounding.

* Staff Positions (FTE): Number of full-time equivalent staff employed plus number of vacant positions to be filled at a particular date.

** The Core Government Administration total cap number was reset to 36,475 FTE positions at 30 June 2011. It is important to note that agency numbers do not represent individual agency caps, as the cap is managed at a global level, however they are useful to track the changes in workforce numbers over time, and provide an administrative trigger for agencies to notify the State Services Commissioner if they are likely to exceed the number of FTE's that they had in 2011 when the reset global cap was established

**Appendix 2: Public Service Departments – Communications and Public Relations Advisors
FTE staff update at 30 June 2016¹**

Agency	31/12/2008	30/6/2015	30/6/2016
Business, Innovation & Employment ²	41.6	32.3	29.3
Canterbury Earthquake Recovery Authority	0.0	26.2	0.0
Conservation	16.4	12.6	13.1
Corrections	14.8	13.1	17.1
Crown Law Office	0.0	0.0	0.0
Culture & Heritage	2.5	3.0	3.4
Customs	3.6	3.0	2.0
Defence Ministry	0.0	0.0	0.6
Education	19.4	13.8	13.6
Education Review Office	1.8	2.8	3.0
Environment	9.3	7.9	6.0
Foreign Affairs & Trade	11.0	6.8	6.0
Government Communications Security Bureau	0.0	0.0	0.0
Health	11.7	5.0	6.7
Inland Revenue	26.4	25.5	25.3
Internal Affairs ³	62.8	49.9	44.2
Justice	9.0	5.0	5.0
Land Information New Zealand	9.9	7.0	5.8
Māori Development / Te Puni Kokiri	6.0	6.0	6.0
Pacific Peoples	1.8	3.0	2.0
Primary Industries ⁴	21.8	19.5	24.1
Prime Minister & Cabinet ⁵	1.0	2.0	10.9
Serious Fraud Office	0.0	1.0	1.0
Social Development	15.8	23.1	24.2
State Services Commission	5.7	3.0	1.0
Statistics New Zealand	11.5	12.0	12.7
Transport	9.4	2.0	3.0
Treasury	2.9	5.0	5.0
Women	5.2	0.8	0.8
Public Service Total	321.3	291.2	271.9

Notes: Individual numbers may not sum to totals due to rounding.

- ¹ Figures are from State Services Commission's annual Human Resource Capability survey. The data is based on six Australia & New Zealand Standard Classification of Occupation (ANZSCO) codes: "Advertising Manager", "Public Relations Manager", "Public Relations Professional", "Sales and Marketing Managers", "Market Research Analysis" and "Marketing Specialist".
- ² The Department of Building and Housing, the Ministry of Economic Development, the Department of Labour and the Ministry of Science and Innovation merged to form the Ministry of Business, Innovation and Employment on 1 July 2012.
- ³ Numbers include Press Secretaries employed by the department and based in Ministers' offices. Numbers for Archives New Zealand and the National Library (both absorbed into the Department of Internal Affairs on 1 February 2011) are also included.
- ⁴ Numbers include the New Zealand Food Safety Authority (merged with the Ministry of Agriculture & Forestry (MAF) on 1 July 2010) and the Ministry of Fisheries (merged with MAF on 1 July 2011).
- ⁵ The Department of the Prime Minister and Cabinet's increase includes communications staff inherited from CERA as fixed-term staff in early 2016, as well as investments in the communications functions of the Ministry of Civil Defence and Emergency Management. In addition, two part-time public relations staff at Government House who were previously miscategorised are now included.