



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

Te Kāwanatanga o Aotearoa
New Zealand Government

Annual Report 2023/24

G.46



MBIE Karakia

Tāwhia tō mana kia mau, kia māia.

Ka huri taku aro ki te pae kahurangi,
kei reira te oranga mōku.

Mā mahi tahi, ka ora, ka puāwai.

Ā mātau mahi katoa, ka pono, ka tika.

Tihei Mauri Ora!

Retain and hold fast to your mana, be bold, be brave.

We turn our attention to the future,
that's where the opportunities lie.

By working together we will flourish and achieve greatness.

Taking responsibility to commit to doing things right.

Tihei Mauri Ora!

MBIE ANNUAL REPORT 2023–2024

Presented to the House of Representatives pursuant to section 44(1) of the Public Finance Act 1989.

PRINT: ISSN 2357-1810 ONLINE: ISSN 2357-1829 www.mbie.govt.nz

PUBLISHED: OCTOBER 2024

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Chief Executive's introduction

Tēnā koutou katoa,

The Ministry of Business, Innovation and Employment (MBIE) maintains a focus on supporting the Government to drive economic growth. Over the past year we have continued to lead and contribute to significant initiatives aimed at helping make New Zealand a better place to live and do business. Our work interacts with all New Zealand businesses and touches on the lives of almost every New Zealander.

Since the formation of this Government at the end of 2023, we have worked at pace to support our ministers in respect of the 100-day plan, Mini-Budget and Budget and quarterly action plans – which have resulted in changes to our work programmes and priorities. The dynamic nature of MBIE and the work that we have supported over recent years means that we are no strangers to change.

It is an ongoing priority for MBIE and the public service to ensure we have a focus on responsible spending and achieve value for money, making every dollar of taxpayer money count. We want to ensure we are best leveraging the skills and expertise across our organisation to support the Government's ambition of rebuilding the economy to one that is more dynamic and productive. MBIE shapes and manages many of the underlying systems that contribute to achieving these goals, supporting 17 regulatory systems.

Building on organisational change processes in 2023 to strengthen our shared services and align our corporate, finance and enablement functions, this year we implemented a series of change processes across MBIE to ensure we are operating in an efficient and effective way.

In supporting the Government's economic strategy, we are focused on increasing capital availability and capital intensity for New Zealand businesses to support the ambition to double the value of exports in ten years. We have continued to secure and leverage major events including the FIFA Women's World Cup, SailGP, and the World Choir Games. Supporting the screen sector industry is also a key priority.

We delivered a suite of changes to the Accredited Employer Work Visa scheme to tighten settings, and began work on changes to fees and levies to better reflect the costs of delivering services and who benefits from these. In the last year, we assessed 704 refugee and protection claims, the highest number of resolved claims in 20 years.

Our immigration compliance team's focus on migrant exploitation has resulted in six criminal prosecutions and an additional 1,736 individual actions spanning infringement notices, formal warnings, and referrals to partner agencies.

This past year has seen continued investment in regions through the \$150m North Island Weather Event Primary Producer Funding Scheme and work to launch the Regional Infrastructure Fund.

We have also supported a package of financial services reforms, aiming to provide regulatory clarity, protect vulnerable consumers and grow the economy. We have supported initiatives that aim to create a more productive building and construction sector, notably:

- › working towards eliminating barriers on the use of overseas building products which will improve building options and affordability
- › consulting on a proposal to make it easier to build small, self-contained and detached houses through changes to the Building Act and the Resource Management Act.

This year we also updated our Strategic Intentions 2023-2028 and now report on our performance against five key outcomes:

- › Prosperous and adaptable people, sectors and regions
- › Skilled people engaged in safe and productive work
- › Competitive markets with informed consumers and businesses
- › Strong and resilient economy and value derived from natural resources
- › Dynamic business environment fostering innovation and international connections.

In the past year, each part of our business has adopted MBIE's 'Customer Promise'. Every part of our business can use the Customer Promise guidelines – Simple, Safe and Certain – to help guide the work they do and how this is delivered.

MBIE continues to work hard to meet our Treaty settlement obligations. We want to enable strong relationships with and improve outcomes for Māori. As part of our interactions across businesses and New Zealanders, it is important to engage effectively with our diverse communities across New Zealand, iwi and Māori.

The quality of the work we have done and continue to do is testament to our MBIE people. I want to thank them for all they continue to do in support of our purpose to grow Aotearoa New Zealand for all.

Noho ora mai rā



A handwritten signature in black ink, appearing to read 'Carolyn Tremain'.

Carolyn Tremain

Secretary for Business, Innovation
and Employment and Chief
Executive

Te Hēkeretari, te Tumu Whakarae
mō Hīkina Whakatutuki

He kupu takamua nā te tumu whakarae

Tēnā koutou katoa,

Ka pūmau tonu a Hīkina Whakatutuki (MBIE) i tōna aro ki te tautoko i ngā mahi whakawhanake a te kāwanatanga i te ōhanga. I te tau kua mahue nei, kua aunoa tā mātou arataki i ngā kaupapa nui e aro nei ki te hāpai i a Aotearoa e whāia ana hei kāinga taurikura, hei wāhi pai mō te whakatū pakihi. Ka toro whānui i ā mātou mahi ki ngā pakihi katoa o Aotearoa, ā, ka whai hua hoki ki a Aotearoa whānui.

Nō te putanga mai o tēnei kāwanatanga i te hiku o te tau 2023, kua puta wawe mai ā mātou kōkiritanga mahi ki te tautoko i ngā Minita mō te āhua ki te mahere e 100 rā te roa, ki te tahua-iti, te tahua matua me ngā mahere ngohe hauwhā ā-tau, ā, i reira hua mai ai ētahi rerekētanga ki ā mātou hōtaka mahi, whāinga tōmua hoki. Ko te āhua o MBIE me ngā kaupapa kua tautokotia e mātou i ngā tau tata nei e tohu mai ana i tā mātou taunga ki tēnei mea, ki te panonitanga.

Ka mau tonu te whāinga tōmua a Hīkina Whakatutuki me ngā ratonga tūmatanui kia mau ai te aronga ki te tōtika o te whakapau pūtea, kia whai hua ai, kia whai take ai te whakapau i ngā moni a te kaiutu tākē. Ko tā mātou hiahia, he whakamahi i te hunga kei a rātou ngā pūkenga me ngā mōhiotanga puta noa i tā mātou wāhi mahi hei tautoko i te hiahia a te kāwanatanga ki te whakaara ake anō i te ōhanga kia hihiri ai, kia whai hua ai. Ko tā Hīkina Whakatutuki he tārai, he whakahaere hoki i te nui o ngā pūnaha e tutuki ai ēnei whāinga; ko tōna 17 te nui o ngā pūnaha waeture e tautokotia ana.

Ko te whakapakari i ngā tukanga panoni ā-mahi i te tau 2023 hei whakakaha i ngā huinga ratonga, me te hāngaitanga o ēnei ki ā mātou kawenga rangatōpū, kawenga ahumoni, kawenga tukunoa hoki i taea ai mātou te whakatutuki i te nui o ngā panonitanga puta noa ai Hīkina Whakatutuki i tēnei tau i runga i te tika o ngā whakahaere.

Mō te tautoko i te rautaki ōhanga a te kāwanatanga, ko te wātea o te pūrawa te mea nui e arotia ana e mātou hei tautoko i te hiahia kia tuaruatia te uara o ngā hoko whakawaho ā ngā tau tekau e tū mai nei. Kua whakapūmautia ngā taiopenga nui, pēnei i te: FIFA Women's World Cup i te tau 2023 me te tau 2024;

te Sail GP me te World Choir Games. Ko te tuku tautoko ki te ahumahi rāngai tauārai hoki tētahi whāinga tōmua.

He nui ngā panonitanga i kōkiritia mō te āhua ki te Accredited Employer Work Visa (AEWV), kia hāngai ake te titiro, ā, i tīmata hoki te whakarerekē haere i ngā utu me ngā rewī kia mārama ake te kitea o ngā utu whakatutuki i ngā ratonga, ka mutu, ko wai ka whai hua i ēnei. I tēnei tau kua huri, e 704 ngā kerēme rerenga, tautiaki hoki i aromatawaitia e mātou – koinei te kohanga kerēme nui rawa o roto i te 20 tau kua huri nei.

I aro tā mātou rōpū tautukunga manuheke ki ngā mahi whakahāwini manuheke, ā ko te hua, e ono ngā hāmenetanga taihara, e 1,736 ngā kēhi takitahi e pā ana ki ngā pānui hara, ki ngā pānui whakatūpatō me ngā pānui tukuhanga ki ngā tari kōtuinga.

I tēnei tau kua huri nei, kua kaha tonu te tuku haumitanga ki ngā rohe mā roto i te tahua North Island Weather Event Primary Producer Funding Scheme e \$150m te wāriu, me te aha, e kaha mahi tonu ana ki te whakamānu i te kaupapa Regional Infrastructure Fund.

Kua tautoko hoki mātou i tētahi kōpaki ratonga ahumoni e aro ana kia whai māramatanga ai ngā mahi ki te taha waeture, kia tautiakitia ngā kiritaki e hēmanawa ana; kia tipu ai te ōhanga. I tautoko mātou i ngā kaupapa e aro ana ki te whakapai ake i te rāngai hanga kāinga, arā:

- › Hei kaupare i ngā āraitanga mō te whakamahi i ngā rawa hanga kāinga o tāwāhi kia pai ake ai ngā kōwhiringa hanga, kia māmā ai hoki ngā utu
- › He tuku tohutohu i tētahi tono e māmā ai te hanga kāinga iti nei, te hanga kāinga tautauāmoa me te hanga kāinga noho wehe mā roto i ngā whakarerekētanga ki te Ture Hanga Kāinga me te Ture Whakahaere Rawa.

I tēnei tau, i arotakengia hoki tā mātou Tauākī Whāinga 2023-2028, ā, ināianei ka pūrongotia ā mātou whakatutukitanga mō ngā putanga matua e rima:

- › Te Tōnuitanga, ten oho mauritau o te iwi; ngā rāngai me ngā rohe

- › Kia whai pūkenga te iwi i ā rātou toronga mahi i runga i te haumarū me te whai kiko
- › Te whakataetaetanga o ngā māketē, kia whai māramatanga ai ngā kiritaki me ngā pakihī
- › Te kaha me te māia o te ōhanga, te whai hua o ngā rawa ā-taiao
- › Te hihiri o te a o pakihī kia tipu ai te auaha me ngā tūhononga ki te ao.

I te tau kua huri ake, ia wāhanga o tā mātou tari e maau ana ki te 'Oati Kiritaki' a Hīkina Whakatutuki. E taea ana e ngā wāhanga katoa o te tari te whakamahi i te aratohu oati kiritaki – he ngāwari, he haumarū, he ahuroa – hei ārahi i a rātou ki te whakatutuki i ngā mahi.

Kei te whakapau kaha tonu a Hīkina Whakatutuki kia tutuki ai ā mātou herenga ki te Tiriti o Waitangi. Ko te hiahia, kia whirikaha ngā tūhononga hei whakapai ake i ngā putanga hua ki te Māori. Mō te taha ki ā mātou toronga ki ngā pakihī me Aotearoa whānui, he mea nui kia tika te toro atu ki ngā hapori kanorau puta noa i Aotearoa, ki ngā iwi me ngāi Māori.

Ko te pai o ā mātou mahi ka haere tonu, ā, he tohu kē i te pai o ā mātou kaimahi. Ko tāku, he mihi ki a rātou mō ā rātou mahi e aunoa tonu nei i tā mātou whai ki te whakawhanake i a Aotearoa mō tātou katoa.

Noho ora mai rā



A handwritten signature in black ink that reads "Carolyn Tremain".

Carolyn Tremain

Te Hēkeretari, te Tumu Whakarae
mō Hīkina Whakatutuki

About MBIE

Who we are:

We are the Ministry of Business, Innovation and Employment (MBIE). Everything we do is about *Growing Aotearoa New Zealand for all*. As the lead microeconomic agency, MBIE shapes and manages many of the underlying systems that contribute to national economic success. MBIE delivers a wide range of services supporting businesses and people across New Zealand. We use our breadth and our connections to develop practical options to complex issues.

Our actions are underpinned by our Values and our commitment to the Treaty of Waitangi/Te Tiriti o Waitangi.

Our portfolio responsibilities include:



* MBIE leads on Employment within the Social Development and Employment portfolio and has key Tenancy responsibilities as part of the Housing portfolio. Other portfolios we support include Māori Development, Emergency Management and Recovery, Sports and Recreation and Public Service.

VOTES:

- = Business, Science and Innovation
- = Labour Market
- = Building and Construction

Our outcomes:



Prosperous and **adaptable** people, sectors and regions



Skilled people engaged in safe and productive work



Competitive markets with informed consumers and businesses



Strong and resilient economy and value derived from natural resources



Dynamic business environment fostering innovation and international connections

Every day we:



Deliver **services** to people and businesses



Provide **policy advice** to ministers



Invest in business and sectors



Regulate economic systems and users



Act as **stewards** ensuring economic systems are operating well and are safe to use

How people and business engage with us:



NEW ZEALAND COMPANIES OFFICE



NEW ZEALAND IMMIGRATION



Kānoa
Regional Economic Development
& Investment Unit

EMPLOYMENT NEW ZEALAND

Tenancy Services

Consumer Protection

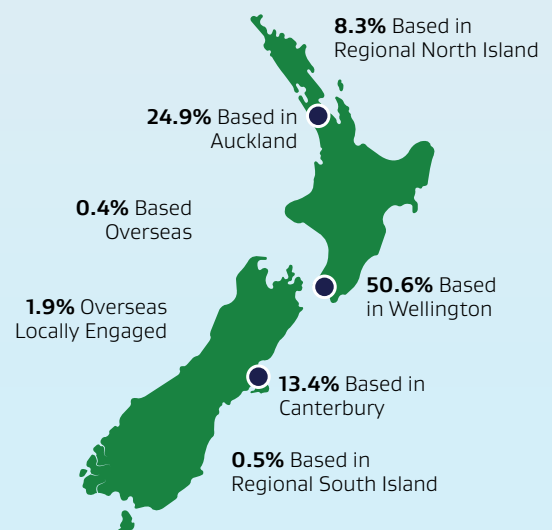
business.govt.nz

Our people and funding:

We are over 6,000 people in 40+ offices across Aotearoa New Zealand and abroad. About 65% of our people work in service delivery, providing core services to New Zealanders.

We receive \$1.36 billion to deliver services and functions on behalf of the Government.

We administer \$5.37 billion in non-departmental activities on behalf of the Crown.



Delivering services to people and business

People across MBIE deliver and support many services that touch on the daily lives of New Zealanders.

From supporting safe and secure homes through tenancy services, connecting New Zealand to the world through our immigration system, and helping businesses to succeed, our diverse and widespread services help *Grow Aotearoa New Zealand for All*.

While our customers are diverse, our commitment to serving them is unified. We are committed to providing a great experience to our customers, and 'Our Promise' outlines what customers can expect when they interact with us, whether in person, by phone, email or on our website.

Our Promise | Te Kī Taurangi

Simple: We listen to you, and we keep it simple

Māmā: Ka whakarongo mātou ki a koe, ā, ka whakamāmāhia

Safe: We help keep people safe through consistent and appropriate application of the law

Haumaruru: Ka āwhina mātou kia noho haumaruru te tangata mā te tika me te riterite o te whakatakoto o te ture

Certain: We help you know what you need to do, how to do it, and why

Mārama: Ka āwhina mātou i a koe kia mōhio me aha, me pēhea, ā, he aha ai

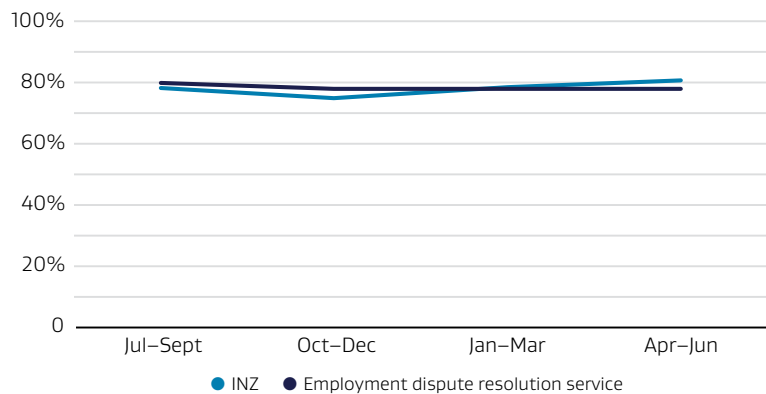
Customer Satisfaction

Understanding how customers and users experience our services lets us continuously improve and make informed choices about changes to our services. Where possible, we conduct regular surveys to understand how well we are meeting customer expectations.

For example, despite higher demand, we have maintained relatively high levels of 78%* of customer satisfaction for our immigration and employment dispute resolution services, though we are just short of our target of 80%*.

**Percentage of respondents rating our services 'good' or 'very good'.*

Customer satisfaction (% rating Good or Very good)



Service centre

Services we provide:

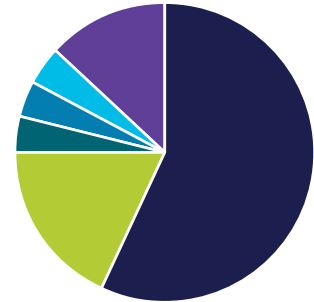
In addition to information online and via email, many people call us seeking information, including:

- › how to grow and digitise their business
- › immigration processes
- › lodging complaints because their rights as tenants, consumers, workers and so on, have not been upheld.

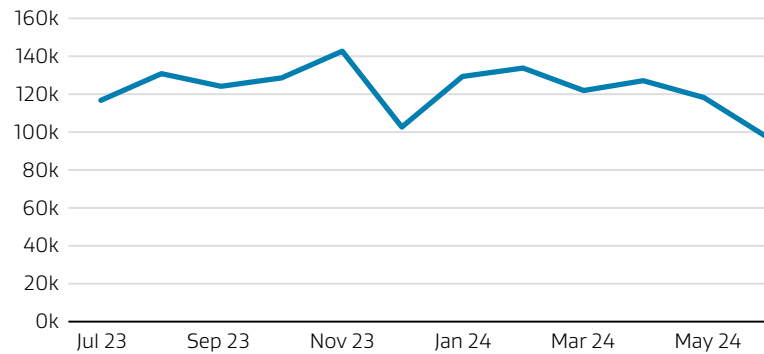
We have people based across the country managing over 70 different helplines: over 50 voice channels and over 20 email channels. This year, we processed over 1.5 million calls averaging over 125,000 calls per month.

Calls to Service Centre lines

- 57% Immigration New Zealand
- 18% Building & Tenancy
- 4% Market Integrity – Standards
- 4% Market Integrity – Registry
- 4% Employment Services
- 13% Others



Volume of calls through service centres



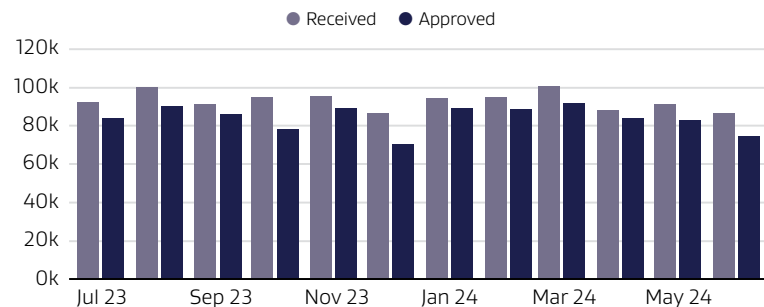
Immigration

Services we provide:

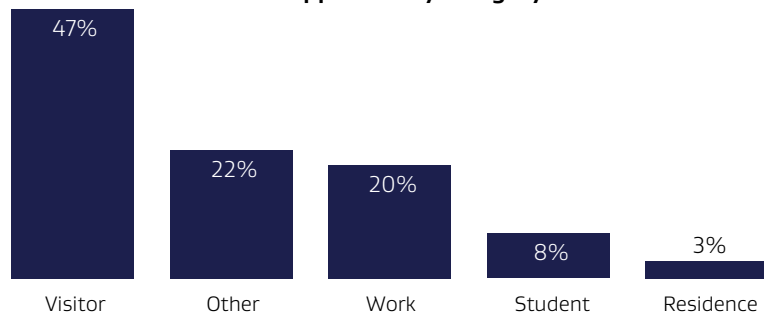
- › Connecting people and enabling visitors to enter Aotearoa New Zealand
- › Attracting international talent and investment
- › Protecting the border

We approved over 1.1 million visa applications, which allowed nearly 845,000 people entry to the country, connecting New Zealand to the world (Data excludes visitors from visa-waiver countries.)

Visa applications received and approved



Visa approvals by category



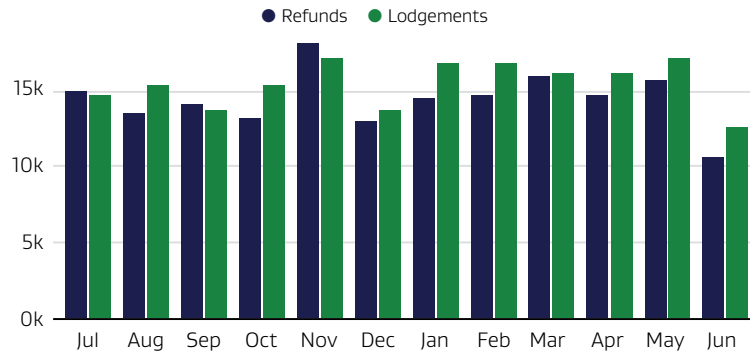
Building and tenancy

Services we provide:

- › Bond receipt and refunds
- › Tenancy, unit titles and weathertight mediation
- › Investigating breaches of the Residential Tenancies Act 1986, Unit Titles Act 2010 and Building Act 2004
- › Building Code determinations
- › Temporary Accommodation Service
- › New Zealand Claims Resolution Service (NZCRS)

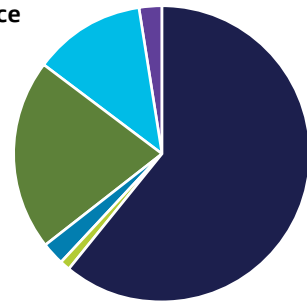
We lodged and held bonds for nearly 179,000 New Zealand households and are progressing over 900 open NZCRS cases covering several significant events. This contributes to New Zealanders' access to safe and secure housing.

Bond refunds and lodgements



New Zealand Claims Resolution Service open cases

- 61% Canterbury Earthquake Sequence
- 1% 2016 Kaikōura Earthquake
- 3% 2022 Nelson Flooding
- 21% 2023 Auckland Flooding
- 12% 2023 Cyclone Gabrielle
- 2% Other



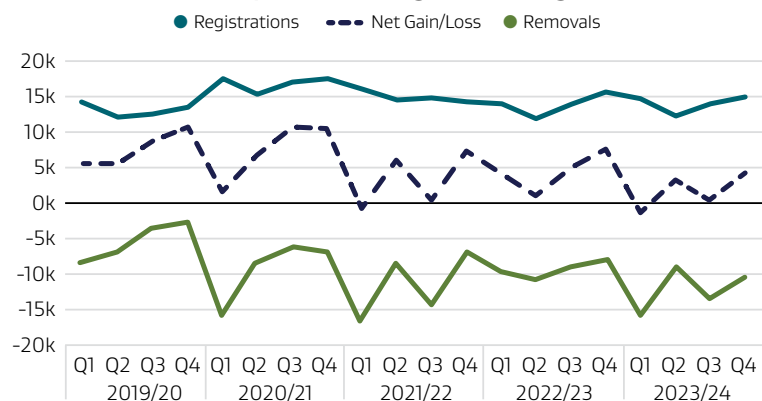
Market integrity

Services we provide:

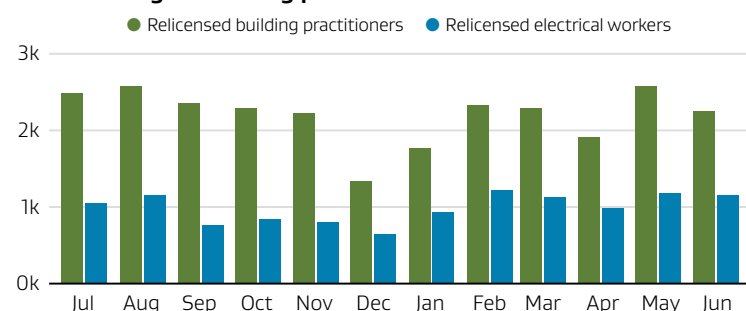
- › Business registration
- › Licensing practitioners, including building, electrical, immigration, auctioneers, motor vehicle traders
- › Radio spectrum, telecommunications infrastructure
- › Trading standards and Standards NZ

We registered over 55,600 companies and relicensed over 26,100 building practitioners and 11,900 electrical workers this year, to support a dynamic business environment and enable a fair market for consumers.

Companies forming and ceasing



Relicensing of building practitioners and electrical workers



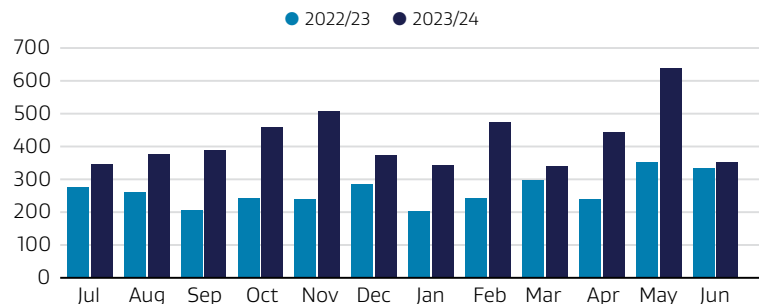
Employment

Services we provide:

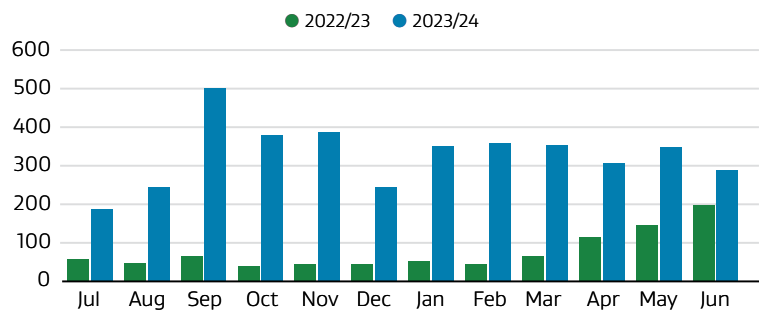
- › Information and advice about employment law, rights and obligations
- › Employment relations and dispute resolution
- › Prevention of migrant exploitation and compliance with employment standards

We led 4,580 employment mediations and delivered over 5,000 employment standards interventions enabling safe and productive workplaces. Since we reopened the borders in August 2022, over 250,000 people have arrived in New Zealand on a work visa (over 120,000 people in 2023/24). This year, we managed over 3,900 reports of migrant exploitation and completed over 3,000 Migrant Exploitation Visa assessments, of which 91% were completed within 5 days.

Employment standards interventions



Migrant Exploitation Reports Received



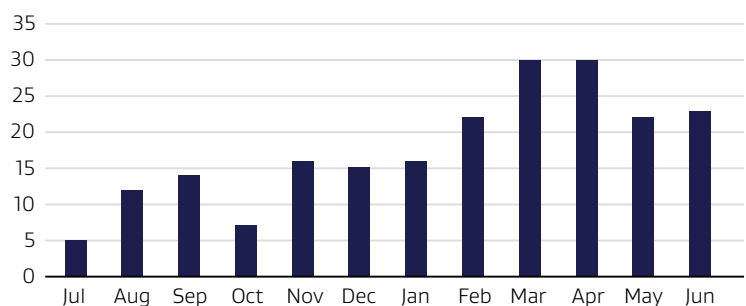
Business and consumer

Services we provide:

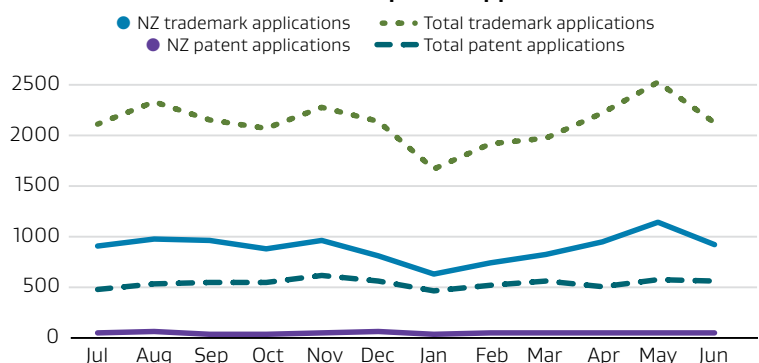
- › Information and tools to support businesses and consumers
- › Digital products and learning
- › Small business support
- › Protecting intellectual property

We published over 200 voluntary consumer product recalls to make sure goods supplied to consumers are safe and of acceptable quality. The register now contains 340,000+ trademarks to protect intellectual property.

Voluntary recalls published



New trademark and patent applications



New Zealand's economic context

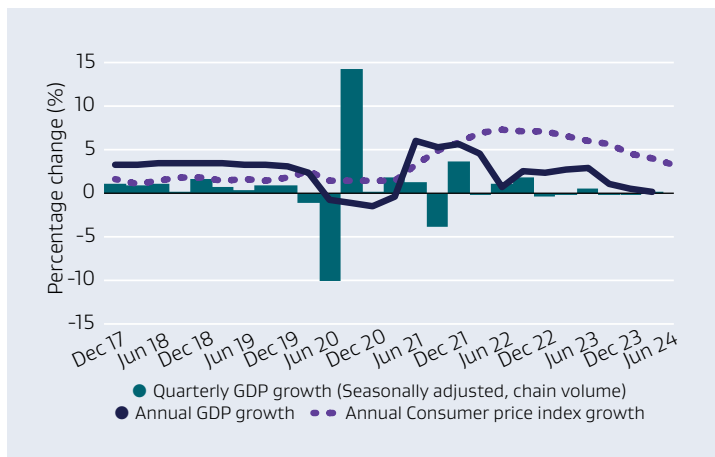
Lifting New Zealand's productivity and economic growth can increase opportunities and prosperity for all New Zealanders. As the Government's lead micro-economic and business-facing agency, MBIE has many policy and service delivery functions that can affect the economy. We track various indicators to make sure we understand New Zealand's economic context and the environment we operate in, so we can make changes where they matter.

GDP Growth

Economic growth, as measured by real gross domestic product (GDP), was 0.2% over the year to March 2024.

Growth has been modest compared with other small, advanced economies due in part to New Zealand's high official cash rate in response to persistently high inflation.

Annual headline inflation fell to 3.3% over the year to June 2024, down from a peak of 7.3% two years earlier.

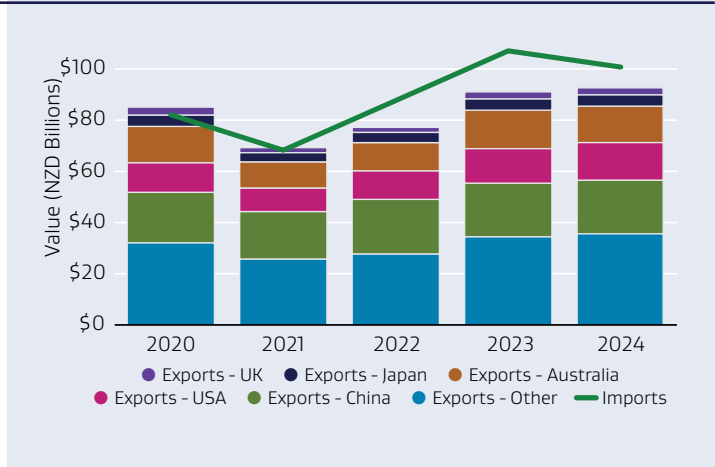


International trade

The value of exports continues to rise, with imports down for the year.

The value of exports rose 1.6% from \$92 billion in the year ending March 2023 to \$93.5 billion in the year ending March 2024. A fall in exports to Australia, China and Japan was offset by a rise in exports to the United States of America, United Kingdom and other countries.

Imports fell 6% over the same period, leading to a narrowing of New Zealand's trade deficit, from \$16.1 billion to \$8 billion.

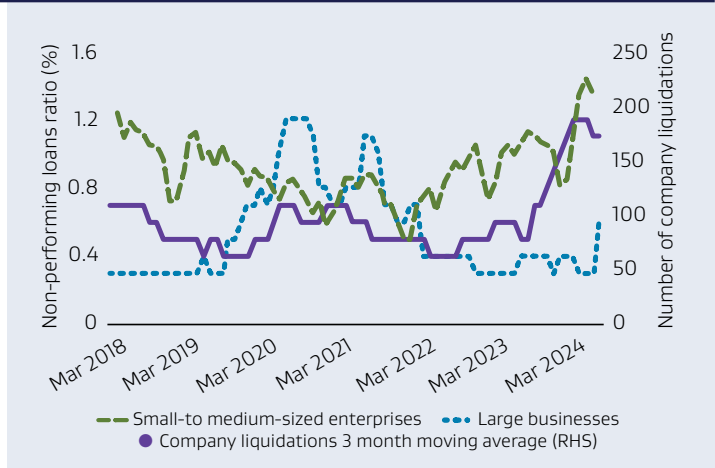


Business environment

Businesses have been under pressure this year from lower demand and elevated interest rates.

The ratio of non-performing business loans has risen for small to medium enterprises (SMEs) (1.1% as of June 2024), while for large businesses it has remained relatively steady over the year ending June 2024.

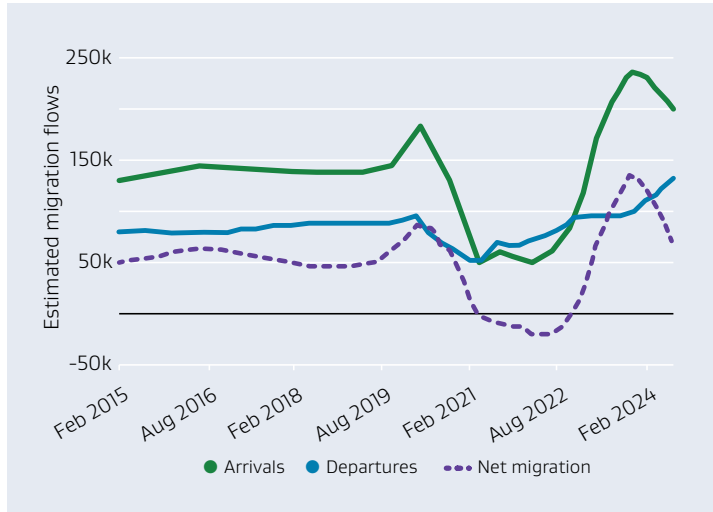
The number of company liquidations has risen, with over 2,100 liquidations in 2023/24, a 19.3% increase on the previous year.



Migration flows

Estimated net migration hit a record high in late 2023, peaking at 136,600 for the year ended October 2023. It has since fallen to 73,300 for the year ended June 2024.

Annual migrant arrivals remain above the long-run average, at over 204,500 to June 2024, but are offset by steady growth in the number of migrant departures over the past 18 months.

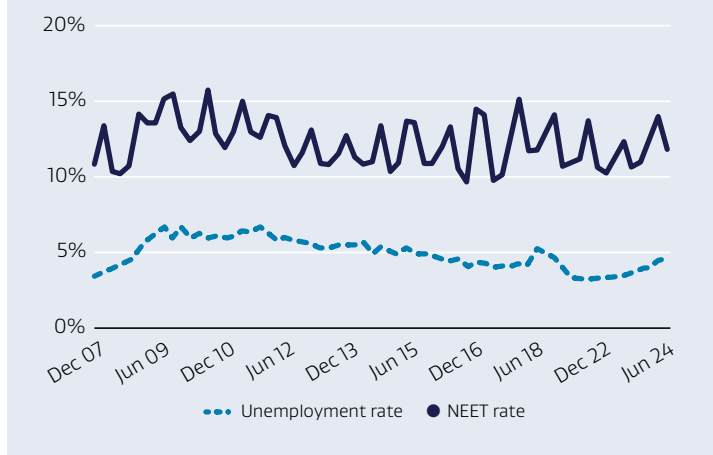


Labour market

Tightness in the labour market has eased as higher interest rates continue to dampen demand across the economy.

Unemployment rose to 4.6% in the June 2024 quarter with the Reserve Bank of New Zealand expecting it to peak at 5.4% in early to mid-2025. The 15 to 24 year old not in education, employment or training (NEET) rate was 11.9%.

Wages (salary and wage rates, including overtime) rose 4.3% over the year to June 2024, outpacing annual inflation of 3.3% over the same period.

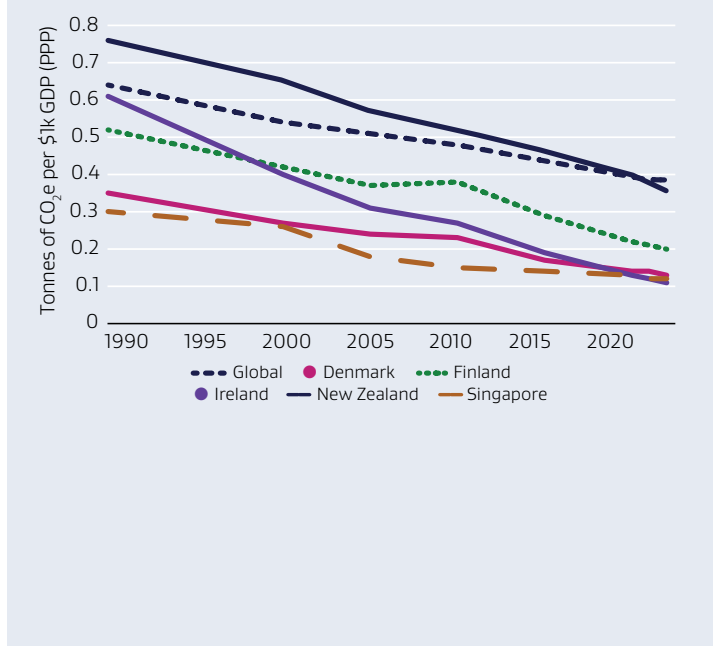


Emissions intensity

New Zealand's emissions intensity is now below global averages.

New Zealand saw a steady fall in its emissions intensity between 1990 and 2022. Since 2021, it has been less intensive than the global average, with 0.38 tonnes of carbon dioxide equivalent (t CO₂e) emissions per US\$1,000 purchasing power parity (PPP).

Due to our comparative reliance on primary sector activity, New Zealand's economy has a higher emissions intensity compared with other small, advanced economies.



Budget significant initiatives

Each year, MBIE is provided with funding from the Government to deliver significant initiatives in response to current or ongoing challenges facing Aotearoa New Zealand. The items identified below reflect several Budget significant initiatives that are important to the Government's and MBIE's strategic priorities, as well as Parliament and the public.

- › Major events, like the FIFA Women's World Cup Australia & New Zealand 2023™, SailGP, and World Choir Games put New Zealand on the map, helped create international connections and grow the economy. We received an additional \$17.65 million over five years for the Major Events Fund in Budget 2023, to support major events and secure event-related benefits. For more information on major events and the FIFA Women's World Cup Australia & New Zealand 2023™, see page 18.
- › The Temporary Accommodation Service (TAS) was activated to provide safe and secure temporary accommodation for households displaced from the North Island weather events in early 2023. We received \$102 million in Budget 2023 and \$27.8 million in Budget 2024 for the response to Auckland flooding and Cyclone Gabrielle, which continue to support those still displaced by the flooding. For more information, see page 28.
- › New industries and supporting them to grow and develop creates jobs and brings investment to New Zealand shores. In Budget 2023, we received \$160 million over four years for the Game Development Sector Rebate. The rebate supports sustainable growth and job creation in mid- to large-sized game development studios to help strengthen the domestic sector. MBIE also administers the New Zealand Screen Production Rebate, which has provided significant national investment. For more information on these initiatives, see page 18.

- › Regional development is critical to improving resilience, increasing productivity and growing regional economies. In Budget 2024, we received over \$1.2 billion in additional funding to support economic development opportunities in regional New Zealand and invest in regional infrastructure to improve resilience, increase productivity and grow regional economies. This builds on MBIE's experience supporting and funding regional development. For information about investing in the regions, see page 17.

In 2023/24, New Zealand had a change in Government. MBIE has been supporting its new ministers to deliver their priorities and progress the Government's action plan. We have been responding to a changing fiscal environment and new priorities, making sure our operations are more efficient, and shifting resources to where we can have the biggest effect.

In some cases, we returned funding to the Crown to redistribute to other areas. This year, we met the operating savings target of 7.5%. This involved a baseline reduction of \$231.5 million per year average and further targeted policy savings and revenue of \$254.2 million per year average. This totalled over \$2 billion over four years across both departmental and non-departmental funding, with an additional \$997.6 million in capital expenditure returned. Initiatives of note included:

- › overall savings of around \$900 million from the Science, Innovation and Technology portfolio over four years, comprising a combination of time-limited and permanent saving reductions through reduced research, capital and operational funding
- › returning nearly \$100 million in funding from the Tui Oil Field decommissioning project, which has completed the substantive part of the project on time and under budget.

Our outcomes

MBIE’s vision is to *Grow Aotearoa New Zealand for All*. We achieve this by growing opportunities for people and businesses (puāwai), acting as a guardian, supporting and protecting the systems that underpin economic activity (kaihāpai), and enabling innovation, to navigate towards a better future (auaha).

The five outcomes in our *Strategic Intentions 2023–2028* reflect how MBIE works to improve the lives and livelihoods of New Zealanders.

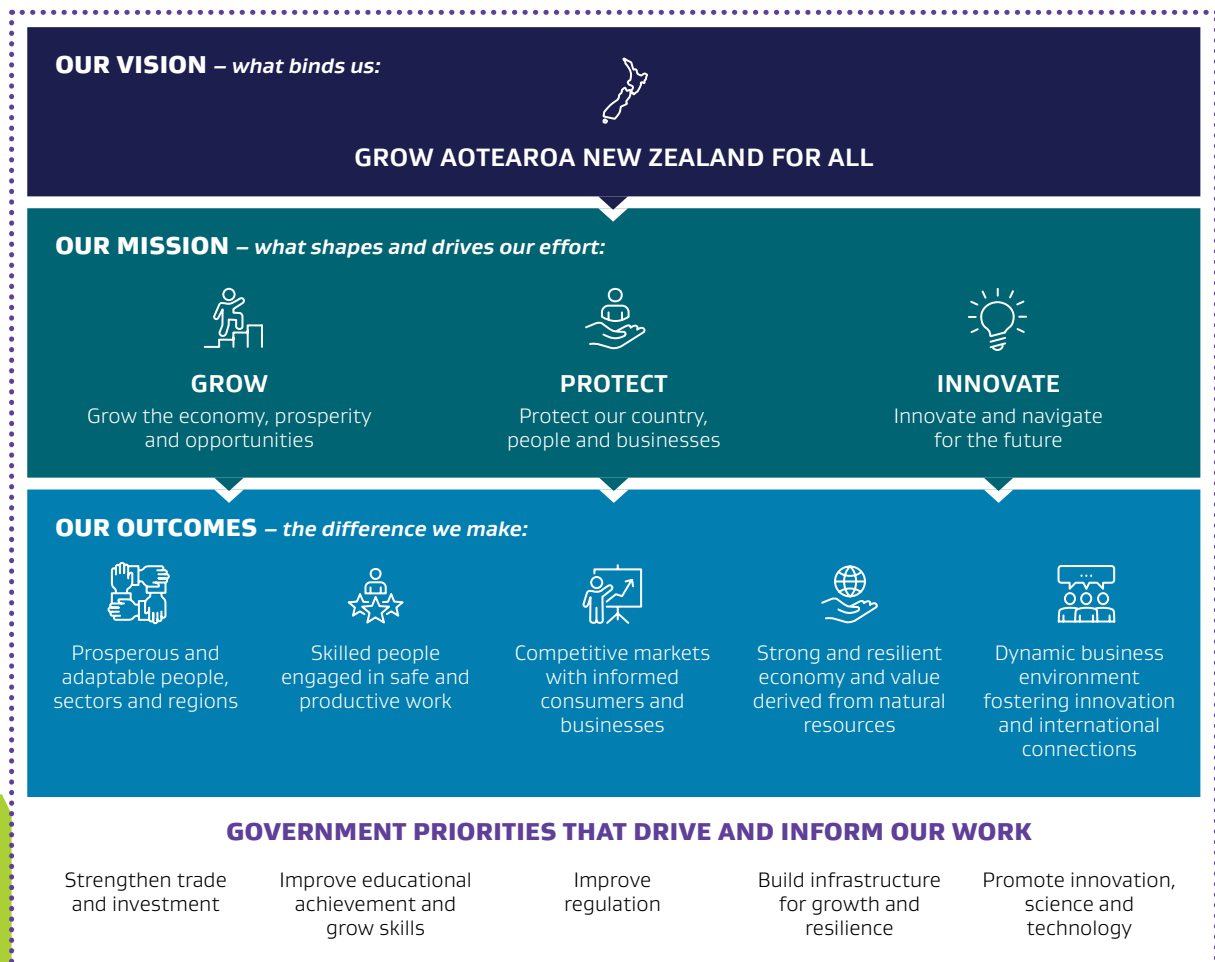
The outcomes framework below outlines the link between MBIE’s purpose, mission and outcomes, along with the Government priorities that drive and inform our work.

Outcome indicators and output performance measures



are different ways of assessing performance. Our outcome indicators represent movement towards our longer-term goals and are trend based. They need to be viewed over the long term (multi-year) and often reflect the efforts of many actors, including MBIE. They provide information on whether the indicators are moving in the right direction. All outcome indicators are reported using the most up-to-date data available at the time of analysis.

Our output performance measures assess whether we have achieved specific services or functions that collectively support the overall achievement of our outcomes.

Results of our outcome and output measures can be found starting on page 41.



OUTCOME ONE: PROSPEROUS AND ADAPTABLE PEOPLE, SECTORS AND REGIONS

What we're working towards	People, sectors and regions prosper and are adapting to changing national and global environments, with increased economic performance, household incomes and labour productivity.
Expenditure	<ul style="list-style-type: none"> › Departmental: \$84 million › Non-departmental: \$579 million
Key funding streams	<ul style="list-style-type: none"> › Economic and regional development › Tourism
Agencies	<ul style="list-style-type: none"> › Tourism New Zealand
Core responsibilities	<ul style="list-style-type: none"> › Economic and regional investment › Infrastructure and industry policy › Tourism settings › Supporting major events
Key services	 
2023/24 initiatives	<ul style="list-style-type: none"> › Regional investment › Support for major events › Strengthening emerging industries
Outcome measure trends Key: + Positive shift – Negative shift = Unchanged	<ul style="list-style-type: none"> › + Household income › – Labour productivity › – Income inequality › – Growth of new businesses
Performance measures	Achieved 56/69 <ul style="list-style-type: none"> › Milestones 25/33 › Quality 1/1 › Satisfaction 12/13 › Timeliness 8/9 › Volume 10/13

A strong economy is essential to New Zealand's prosperity.

MBIE helps regions, businesses and communities to grow and diversify their opportunities. We provide core services that underpin economic activity. We work to ensure New Zealand is better placed to adapt to global shifts.

Investing in regions

MBIE provides support to regions to help accelerate regional development, lift productivity and resilience and boost local employment and skills.

We aim to improve levels of prosperity and community wellbeing by investing in regional opportunities. Across this year, MBIE's regional economic development and investment unit, Kānoa, managed 12 funds with over 2,750 projects totalling \$4.58 billion.

The sectors supported through these investments include advanced manufacturing, aquaculture, energy, construction, film, information and communications technology (ICT), infrastructure, tourism and training. The funds aim to: accelerate regional development, lift productivity and resilience, boost employment and skills, and help regions transition to more sustainable industry options. Kānoa also focuses on social procurement options.

Examples of regional investments that met significant milestones in 2023/24 include:

- › **Kaimanawa Alpine Adventures**, which received a \$596,800 grant to build a 23 kilometre long heli-mountain biking trail in Tongariro National Park. The trail opened on 26 November 2023 and local iwi and the wider regional community benefit economically from the mountain-biking operation. Specifically, 14 jobs were created throughout the construction of the trail, with 3 full-time equivalent roles created to continue in the operation of the trail. The trail enables several potential future tourism offerings.
- › **The Pounamu Pathway**, which received \$17.87 million to construct four visitor experience hubs throughout the West Coast of the South Island that connect significant locations through interactive displays and storytelling of the history of the region. The biggest of the four hubs, Māwhera Pounamu Pathway centre in Greymouth, opened

to the public in December 2023 and had an official opening in February 2024. Over 50 jobs were created through the construction, management and operation of the hubs. The hubs are a cornerstone of the West Coast's economic revitalisation to transform West Coast tourism by attracting more visitors and encouraging longer visitor stays.

- › **Rotorua Lakefront Development**, which received a \$20.9 million grant for the development of the lakefront's infrastructure and enhanced its amenities for an improved visitor experience. The development opened on 3 March 2024 and included new lakefront boardwalks, walkways, cycleways, and an improved connection between the city and lake. This investment provided significant employment opportunities and supports Rotorua's position as a premium tourism destination, focused on higher yield tourism from longer stays and higher tourist spending.

Some of these projects have also received additional funding from other partners and sources.

Independent impact studies conducted by Allen + Clarke focusing on earlier investment in Ōpōtiki and the aquaculture sector highlighted the positive economic impacts flowing from the investment. For example, investment in construction of the harbour, a mussel factory, irrigation systems, horticulture, IT infrastructure, and marae and community resulted in:

- › direct employment of local residents (with an estimated 1,000 jobs stimulated by the mussel factory)
- › educational pathways and improved outcomes for rangatahi/young people
- › conversion of land to high-value horticulture
- › innovation and securing intellectual property.

The assessments also highlighted learnings that can be factored into future projects. These included developing local-level capability to initiate projects and ensuring strong coordination across stakeholders, as well as unintended consequences such as increased competition for rental housing.

Enhancing Aotearoa New Zealand as an event destination

Hosting major events helps grow the economy, create social connections, reflect and celebrate our culture and build national pride.

From 20 July to 20 August 2023, New Zealand co-hosted the FIFA Women's World Cup Australia & New Zealand 2023™ with Australia. It was one of the biggest sporting events in the world, and co-hosting it provided a unique opportunity to create lasting change for the economy and New Zealand communities. The hugely successful event saw over 700,000 people attending the 29 matches hosted in New Zealand and around 170,000 visits were made to FIFA Fan Festival sites in Auckland, Hamilton, Wellington and Dunedin.

An independent economic impact evaluation report of the event also showed a positive overall economic return with a net benefit to New Zealand of \$109.5 million. The event attracted almost 27,000 people to New Zealand, generating over 312,000 international visitor nights across the country, with an average stay of 11.6 nights. The government investment of \$19 million to upgrade 30 sporting facilities across the country (such as pitches, lighting and changing facilities) will continue to be enjoyed by communities and sporting codes for years to come.

The knowledge and experience gained from hosting the FIFA Women's World Cup Australia & New Zealand 2023™ has enhanced New Zealand's major event capacity and capability. Its success will enhance New Zealand's reputation as a safe and capable host for global events.

The evaluation report also showed the event has permanently changed New Zealand's perception of women in sport, adding to the country's proud history of advocating for gender equality.

It took many people, teams and agencies months of preparation to successfully deliver the world's largest women's sporting event in New Zealand, alongside co-hosts Australia. Various teams and functions from across MBIE supported the delivery of this event, spanning immigration, tourism, communications, intelligence and data analytics.

Other major events hosted or being prepared for include:

- › the New Zealand SailGP hosted in Christchurch from 23 to 24 March 2024 and won by New Zealand. SailGP is an annual, global sports league featuring fan-centric inshore racing among national teams in iconic harbours around the globe
- › the inaugural Rainbow Games hosted in Auckland from 5 to 8 April 2024. This brand-new multisport event featured 14 sports designed for the LGBTQI+ community and its allies to celebrate and compete in a safe and supportive environment
- › preparations for the World Choir Games hosted in Auckland from 10 to 20 July 2024. This is the biggest choral competition and festival in the world, bringing together more than 11,000 singers from over 40 countries.

Strengthening emerging industries – screen production and gaming

The New Zealand Screen Production Rebate (NZSPR) – International attracts film, television and other format productions and the resulting production expenditure. As an internationally oriented high-value sector, screen can attract international investment and highly skilled workers. Alongside the direct economic benefits of investment, screen production activity helps New Zealand's brand and reputation, and delivers value through innovation, technology transfer, and tourism.

In 2023/24, 24 international productions triggered a spend of around \$1.34 billion on qualifying New Zealand goods and services resulting in rebate payments totalling \$267 million. Twelve of these were post, digital and visual effects projects generating a spend of around \$201 million and resulting in about \$39 million in rebate payments.

This year, 45 international productions registered for the NZSPR – International. This was 13 more registrations than in 2022/23.

The Game Development Sector Rebate scheme is a \$40 million per year scheme to support the growth of New Zealand's game development sector. MBIE supported the scheme, which followed a constructive period of consultation with the sector. The rebate aims to strengthen the game development sector and support studios in developing New Zealand-owned intellectual property.

OUTCOME TWO: SKILLED PEOPLE ENGAGED IN SAFE AND PRODUCTIVE WORK

What we're working towards Businesses have access to the right labour and skills at the right time and an employment system that promotes the rights of workers and employers.

Expenditure

- › Departmental: \$698 million
- › Non-departmental: \$2,376 million

Key funding streams

- › Employment
- › Immigration system
- › Workplace health and safety
- › Accident compensation regulatory services

Agencies

- › Accident Compensation Corporation (ACC)
- › WorkSafe New Zealand

Core responsibilities

- › Labour supply policy system
- › Immigration settings
- › Skilled labour development
- › Workplace relations and dispute resolution
- › Workplace safety

Key services

**EMPLOYMENT
NEW ZEALAND**

 **NEW ZEALAND
IMMIGRATION**

**Employment
Mediation
Services**

2023/24 initiatives

- › Immigration settings/visas for workers and residents
- › Protection of workers

Outcome measure trends

Key:
+ Positive shift
– Negative shift
= Unchanged

- › – Employment
- › = Skilled workforce
- › + Migrant skills matching business needs
- › + Migrant visa application experience
- › + Pay equity
- › + Fatal work-related injuries
- › – Serious work-related injuries

Performance measures **Achieved 36/46**

- › Milestones 2/2
- › Quality 7/7
- › Satisfaction 6/10
- › Timeliness 17/22
- › Volume 4/5

Skilled and productive labour and safe workplaces are essential attributes of long-term economic growth. A strong economy also needs the right mix of skills and labour supply to respond to global and domestic opportunities and shifts.

Growing the New Zealand labour market

MBIE works to understand the skill demand and supply in the New Zealand labour market, working with others to align options across education, employment and immigration.

This year saw significant changes to immigration settings, the disestablishment of the Regional Skill Leadership Groups, ongoing vocational education change and new job seeker targets. We continue to work with agencies and Ministers to improve the flow of people and align the right skills to the right employers.

MBIE leads the Sector Workforce Engagement Programme. We work with different sectors (tourism, horticulture, wine growing, aquaculture, dairy/ agriculture, road freight transport, construction and aged care) to identify important labour market issues and address these with unique labour market solutions. Significant achievements in the past 12 months include:

- › working with the aquaculture industry to complete a worker survey, with a set of actions on retention strategies for the industry
- › establishing a horticulture intelligence group to investigate and initiate workforce planning strategies.

Bringing people and skills to New Zealand

Immigration makes a vital contribution to New Zealand's economy, workforce and community. It reunites friends and families, provides employers with access to important skills and capital, supports educational institutions accessing international talent, contributes to New Zealand's international and humanitarian commitments while maintaining the security and integrity of the border.

This year, we had high levels of interest in New Zealand, with more than 1.1 million visa decisions, including over 480,000 visitor visas granted. Visitors are a significant

driver of economic activity and employment.

Supporting refugees is a core international obligation that MBIE helps the Government to meet. This year, 704 refugee and protection claims were assessed, the highest number of resolved claims since 2003/04. MBIE met the increased Refugee Quota for the second year in a row, welcoming 1,514 refugees through the Quota Programme.

We have also worked to improve our systems. Following customer feedback, MBIE continued to improve its online platform by making changes that allow customers to track the progress of their applications in real time and moving more visa categories online, including Permanent Resident Visas.

Migrant workers

We also had record high net migration to New Zealand this year, because of the return of migrant workers. This included:

- › nearly 55,000 Accredited Employer Work Visa (AEWV) applications decided and around 11,600 employers accredited under the AEWV policy
- › over 680 applications decided under a new Skilled Migrant category visa and over 1,900 applications decided under the Parent category visa
- › over 49,100 Working Holiday application decisions
- › more than 90,000 student visa decisions.

These visa categories, and others, let New Zealand access the skills and capacity needed for stable economic growth and to address significant skill shortages.

With the influx of migrants, New Zealand also saw the effect of illegal behaviour by a small number of people. In response to allegations of exploitation and immigration fraud, concerning the AEWV, MBIE took a multi-pronged approach to help a number of migrants left in a vulnerable state. Investigators from MBIE's Tenancy, Immigration and Labour Inspectorate teams led the investigation, which spanned multiple employers, properties and several immigration fraud concerns. A cross-MBIE taskforce responded to the welfare concerns of the affected migrants, to make sure they had food, housing and support while determining their immigration options. TAS worked jointly with Auckland Council to make sure suitable accommodation was put in place and that the 151

migrants involved were financially supported. A facilitative approach was taken to support the migrants in either returning to their country of origin or remaining in New Zealand on a suitable visa pathway.

A review of the AEWV (Bestwick review) focused on the scheme's administration and mitigation of exploitation and irregular migration and was completed in February 2024. The review found the scheme did not work as intended and Immigration New Zealand could have done more to minimise the risk of abuse of the work visa system. We are working through 10 recommendations from the review and have delivered on six and are progressing the remaining four.

Delivery of the AEWV scheme is a priority for MBIE, to make sure New Zealand has access to the skills needed to help address gaps in the labour market and grow the economy. We have worked with the Government to change and implement immigration requirements to align with the Government's priorities. In April and June, changes were made to increase the requirements for work experience or demonstrated qualifications and English language requirements.

As part of our work to prevent and respond to migrant exploitation and enforce compliance with employment standards, this year, 624 immigration investigation cases were opened, of these 255 were allegations of migrant exploitation and 112 trafficking in persons. This resulted in 6 criminal prosecutions and an additional 1,736 individual actions spanning infringement notices, formal warnings and referrals to partner agencies.

In addition, the infringement scheme under the Worker Protection (Migrant and Other Employees) Act 2023, launched in May 2024, gives MBIE the measures it needs to deter employers who exploit migrant workers and to act if exploitation offences are committed. Any employers who have been penalised and temporarily barred from hiring migrant workers will be published on the Immigration New Zealand website. This list aims to increase transparency in the immigration system.

Enabling a safe and productive work environment

We supported the Government's agenda to enable more productive and safer working environments, including:

- › amendments to the Employment Relations Act 2000 to extend the use of 90-day trials to all employers

- › the Minimum Wage Review, with new rates coming into force in April 2024
- › repeal of the Fair Pay Agreements Act 2022
- › advancing plans to consult on changes to the Holidays Act 2003, including simplifying calculations around holiday and sick pay, a longstanding concern for workers, employers and payroll providers
- › advancing plans to consult on the purpose and performance of the health and safety regulatory system
- › work to ensure ACC's regulations are efficient, effective and current.


Employment mediation

Applications for our Employment Mediation Service rose by 23%. Employers and employees sought our help to resolve work-related problems commonly involving dismissals, redundancies, restructuring and insolvencies, reflecting current economic and labour market conditions. In response to higher demand, we delivered 16% more dispute resolution interventions (18,916) across our certification of private records of settlement, early resolution and scheduled mediation services. We broadly maintained our customer satisfaction, with 78% of our customers rating our dispute resolution services as good or very good, and the settlement rate for mediation was 67%. Despite increasing demand, we maintained our wait times for certification and early resolution at service levels across the year as a whole. However, wait times increased for scheduled mediation services over the second half of the year due to significant peaks in demand. We had over 1,000 more applications for mediation than in 2022/23.

Employment standards

A significant increase also occurred in reporting of employment standard concerns, as well as migrant exploitation, which rose significantly, with 3,925 reports this year compared with 933 last year. We delivered over 5,000 employment standards interventions, a 59% increase on the previous year. Timeliness of investigations by the Labour Inspectorate continued to improve, with 90% completed in 12 months and 69% in 6 months. We assessed 91% of reports of exploitation within 5 days for eligibility for the migrant exploitation protection visa, to support workers to rapidly leave potentially exploitative situations.

OUTCOME THREE: COMPETITIVE MARKETS WITH INFORMED CONSUMERS AND BUSINESSES

What we're working towards	Competitive systems that enable the operations of businesses and the market, while protecting the rights of users and consumers.
Expenditure	<ul style="list-style-type: none"> › Departmental: \$321 million › Non-departmental: \$314 million
Key funding streams	<ul style="list-style-type: none"> › Commerce and consumer affairs › Financial markets › Tenancy › Building
Agencies	<ul style="list-style-type: none"> › Commerce Commission › Financial Markets Authority
Core responsibilities	<ul style="list-style-type: none"> › Foundational services and support for businesses › Market and regulatory settings › Building and tenancy systems › Early and alternative means of dispute resolution › Emergency information services
Key services	
2023/24 initiatives	<ul style="list-style-type: none"> › Supporting small businesses › Grocery industry competition › Improvements to building and infrastructure › Fire safety
Outcome measure trends Key: + Positive shift – Negative shift = Unchanged ∅ Not reported	<ul style="list-style-type: none"> › ∅ Consumer awareness of rights › ∅ Consumer awareness of resolution pathways › + Tenancy mediation › – Employment mediation › – Business experience with government agencies
Performance measures	Achieved 59/76 <ul style="list-style-type: none"> › Milestones 9/9 › Quality 14/16 › Satisfaction 11/16 › Timeliness 15/22 › Volume 10/13

A market with appropriate checks and balances increases the confidence of people and businesses to participate freely in the economy.

We achieve this by regulating markets, providing critical information to consumers, providing dispute resolution services, and supporting businesses to grow and evolve.

Providing core services to New Zealanders

To help keep people and businesses informed and safe, MBIE runs over 70 different helplines through its service centre (over 50 voice channels and over 20 email channels).

During the year, over 1.5 million calls were accepted by MBIE service centres, averaging over 125,000 calls per month. These include issues relating to immigration, tenancy, employment, companies and work safety, amongst many others. (See pages 8 to 11 for a high-level view of areas and volumes.)

MBIE's efforts to make sure New Zealanders are informed and protected span many areas and services. Across 2023/24, we:

- › proactively returned over 2,580 uncollected bonds (totalling over \$3 million) through an outbound calling campaign through our service centre
- › published 212 voluntary consumer product recalls and have over 160 high-risk consumer products on our watchlist. For example, we oversaw the compulsory recall of Serene S2068 heaters, following a WorkSafe New Zealand investigation that resulted in a prohibition of sale and use due to safety concerns around potential overheating
- › delivered multiple consumer awareness campaigns aimed at providing consumers with information on consumer laws, scams and fraud, and protecting children from unsafe products, with over 880,600 visits to the Consumer Protection website during the year
- › delivered 18,915 employment dispute resolutions, including 4,580 mediations and 2,454 early resolutions, with a 78% customer satisfaction rating of high or very high.

Supporting business and commercial operations

MBIE also provides foundational services that underpin commercial operations, such as:

- › the New Zealand Companies Office, with nearly 728,800 total companies registered at the end of June 2024, and nearly 55,670 new company registrations and over 49,380 removals across the year
- › the Intellectual Property Office of New Zealand (IPONZ), whose registers contain over 12,780 registered designs, 23,800 granted patents, 1,290 granted plant variety rights, 341,320 registered trademarks, along with 2,000 registered geographical indications as at the end of June 2024
- › the New Zealand Business Number (NZBN), which is a globally unique identifier that allows parties to quickly and digitally access all the basic details of a business and confirm whether it is real. This year, nearly 21,200 new NZBNs of all entity types were registered, with nearly 3,700 identifying as Māori businesses
- › the business.govt website, which now includes 48 interactive tools, 66 visual guides and templates as well as several other resources for businesses, from setting up a business to developing important documents, to advice on what to do in the event of a computer hack.

On 1 May 2024, the European Union Free Trade Agreement Legislation Amendment Act 2024 came into force. To meet requirements under the Act, IPONZ implemented changes including the registration of 1,975 European Union Geographical Indications. It also updated processes for trademark examination and examination of any future European Union Free Trade Agreement Geographical Indications proposals. IPONZ worked with intellectual property offices in Singapore and Australia to establish an examiner exchange programme, building strong international connections.

MBIE also had an important role in the Incorporated Societies Act, which came into force in October 2023. The Act puts in place a more modern legal, governance and accountability framework for incorporated societies such as sports clubs and cultural or community groups.

Boosting businesses' digital capabilities

Ensuring New Zealand companies can operate in the digital era is an ongoing area of work. The Digital Boost digital enablement programme offers small businesses digital expertise at their fingertips. It supports small businesses that are early on in their digital journey with free education, training and tools to boost their digital capability.

We have supported over 40,000 businesses through the Digital Boost programme to lift digital capability. The Digital Boost Educate platform has nearly 70,000 registered users representing 40,000-plus small businesses. Research shows that, after using the platform, 78% of users feel confident in becoming more digital and 58% are generating income online.

Enabling small businesses to thrive

Small businesses (with fewer than 20 employees) are significant to New Zealand's economy. They make up 97% of businesses, employ around 29% of New Zealand's working population, and generate around a quarter of New Zealand's gross domestic product.

In recognition of their importance, MBIE makes sure businesses have access to tools and support, especially as they navigate challenging times and shifting practices. This year MBIE:

- › delivered five 'Tips for Tradies' micro-learning courses aimed at improving the capability of small businesses in the construction sector. These focused on pricing, quoting, managing variations to contracts, invoicing and cashflow management. These micro-courses were delivered together with Inland Revenue, Licensed Building Practitioners and New Zealand Certified Builders to make sure the content that was developed suited the target audience. These courses have been accessed over 17,200 times by over 13,700 users since launching in December 2023
- › provided a significant update to the Climate Action Toolbox, to include a tailored pathway for businesses operating in the manufacturing sector. The Toolbox supports businesses to understand their climate impact and improve their behaviour. This tool has

been used over 25,600 times in 2023/24. Analysis over the past 12 months shows the manufacturing sector to be the highest user

- › supported the Asian Development Bank on the Pacific Private Sector Development Initiative to help Pacific countries improve their business environments and achieve greater economic growth
- › supported the Government in repealing the Business Payment Practices Act 2023. The Government intends to address business payment times through non-regulatory measures. It will increase the adoption of eInvoicing and ensure government agencies prioritise eInvoices for faster payment
- › helped government agencies to proactively publish their independently verified payments on MBIE's website. A new dashboard will be updated quarterly for all 32 central government agencies, to show performance against this commitment.

Competitive and fair markets

In 2022, the Commerce Commission completed a market study on competition in Aotearoa New Zealand's retail grocery sector. The Commission made several recommendations for improving competition in the sector. Over the past year, MBIE has implemented some of the recommendations including:

- › supporting the passing of the Grocery Industry Competition Act 2023. This, among other things, establishes the position of the Grocery Commissioner, introduces tools for the Grocery Commissioner and Commerce Commission to use to help promote competition in the grocery industry, and establishes the Grocery Supply Code
- › developing the Grocery Supply Code in September 2023, which constrains the ability of the major retailers to push costs and risks onto suppliers and improves the transparency of the trading relationship. The Code aims to support more efficient production of products consumers buy and support suppliers to invest and innovate to bring new products to consumers
- › developing new unit pricing regulations to help consumers compare grocery prices more easily by requiring the consistent display of unit pricing in New Zealand's major grocery retailers, such as the price of a product per kilogram or litre.

During 2024, MBIE supported the release of a package of financial services reforms. These aim to provide regulatory clarity, protect vulnerable consumers and grow the economy. The reforms include changes to the Credit Contracts and Consumer Finance Act 2003 lending requirements, the conduct of financial institutions, and transferring regulatory responsibility of the Act from the Commerce Commission to the Financial Markets Authority.

Building and infrastructure

Well-functioning housing and construction markets support growth and employment. This year we supported initiatives that aim to create a more productive building and construction sector, including:

- › steps towards eliminating barriers to the use of overseas building products, which will improve building options and affordability
- › changes to the building consent process so building a home is easier, faster and more affordable
- › amendments to dam safety regulations so smaller dams will not be subject to excessive compliance costs
- › enabling lower building costs by exempting minor building work from paying the building levy.

The new building product information requirements came into force this year. The regulations have introduced new minimum information requirements for building products. They aim to promote higher levels of compliance with the building regulatory system and help consumers, designers, builders and building consent authorities with product selection and substitutions for their projects. The new regulations make sure building product users are given information about how building products contribute to compliance with the Building Code. The requirements aim to reduce building defects and building re-work and improve efficient consenting and safer, more durable buildings.

We are working alongside the Department of Internal Affairs to develop the economic regulation and consumer protection model for Local Water Done Well, which aims to restore council ownership of water infrastructure and services. We supported the former Government to pass the Water Services Economic Efficiency and Consumer Protection Act in August 2023, which was repealed in February 2024.


Improving fire safety

This year, MBIE worked with Fire and Emergency New Zealand and local councils to identify and assess boarding houses across Aotearoa New Zealand (Operation Magazine). The initiative was in response to the fire at Loafers Lodge in Wellington on 16 May 2023, where five people tragically lost their lives. This incident stressed the importance of making sure similar boarding houses meet current fire safety regulations and landlord obligations to keep tenants safe.

Thirty-seven boarding houses were visited, and a final report was released outlining the safety assessments of the buildings. The final report, published by MBIE in March 2024, covers findings from the inspections that identified non-compliance with Building Warrant of Fitness requirements, fire safety systems and healthy homes standards.

As a result of these investigations, over 90% of the recommendations to councils have been completed. MBIE continues to monitor and work with councils across New Zealand on the findings of Operation Magazine. A programme of work is under way to review the Building Code clauses as they relate to fire, including fire alarm and sprinkler systems.

OUTCOME FOUR: STRONG AND RESILIENT ECONOMY AND VALUE DERIVED FROM NATURAL RESOURCES

What we're working towards	Building a strong economy with increased resilience through robust supply chains, energy security, and economic activity from Aotearoa New Zealand's natural resources.
Expenditure	<ul style="list-style-type: none"> › Departmental: \$46 million › Non-departmental: \$420 million
Key funding streams	<ul style="list-style-type: none"> › Economic development › Energy › Minerals
Agencies	<ul style="list-style-type: none"> › Electricity Authority › Energy Efficiency and Conservation Authority
Core responsibilities	<ul style="list-style-type: none"> › Energy and renewable energy infrastructure and market settings › Management of Crown-owned mineral estates › Emergency and national disaster response
Key services	
2023/24 initiatives	<ul style="list-style-type: none"> › Energy sector consultations › Supporting small-scale energy initiatives › Minerals strategy › Natural Hazards Guidance
Outcome measure trends Key: + Positive shift – Negative shift = Unchanged	<ul style="list-style-type: none"> › + Greenhouse gas emissions from electricity generation › + Sustainable national energy system › = Efficient national energy system › + Economic productivity
Performance measures	Achieved 12/20 <ul style="list-style-type: none"> › Milestones 2/6 › Quality 2/4 › Satisfaction 1/2 › Timeliness 5/6 › Volume 2/2

A strong and resilient economy is essential to the country's long-term success and to helping weather global and national changes and natural disasters. Energy security and renewable energy sources provide better economic stability and ensure autonomy.

MBIE works to ensure Aotearoa New Zealand's natural resources are used in a way that makes sure they will continue to benefit New Zealanders for generations to come. We support businesses and regions to mitigate the impact of climate change and respond in times of emergency.

This year we supported the Government to explore an increase in the scale and pace of energy and resource development, to ensure secure, resilient and reliable production and supply.

Energy security

International events continue to highlight the volatility of supply and cost within international energy markets, along with the importance of increasing domestic options. MBIE has undertaken several energy-related consultations and work programmes over the year designed to improve energy security and resilience, including:

- › establishing the Gas Security Response Group to coordinate gas producers, major gas users and government to respond to the declining gas supply
- › consulting on the establishment of an offshore renewable energy regime for offshore generation, with legislation expected to be introduced in 2024/25
- › consulting on the development of a roadmap for hydrogen that sets out opportunities for hydrogen in New Zealand's energy transition, including actions the Government is undertaking to establish a sustainable and safe hydrogen industry here
- › consulting on electricity market measures that support affordable, reliable and resilient electricity supply.

MBIE continues to support small-scale community energy initiatives through the Community Renewable Energy and Māori and Public Housing Renewable Energy funds. Initiatives include:

- › 40 solar energy systems on community buildings to support emergency response in regions affected by Cyclone Gabrielle and other severe weather events
- › small-scale clean energy projects across the country, including 42 small-scale clean energy projects for around 435 Māori households that generate 1,925 kilowatts of electricity and provide 1,121 kilowatts of storage.

Resources

MBIE has drafted a minerals strategy for Aotearoa New Zealand to 2040, with consultation closing on 31 July 2024. It proposes:

- › producing a critical minerals list for New Zealand
- › a detailed stocktake of the country's known mineral potential.

The minerals sector was worth \$1.03 billion in mineral exports in 2022, providing more than 5,000 direct jobs and supporting local businesses. The new strategy is a critical part of the Government's export-led focus and proposes to double the value of mineral exports to \$2 billion by 2035.

We have been improving the minerals permitting processes and responding to feedback to improve our systems. These changes are already having a positive effect. As at 30 June, 241 applications were in the minerals queue, down from the peak of 305 in mid-July 2022. In recent months, we have been working to progress and resolve our longest-held applications. From February to June 2024, the queue of historical applications reduced from 162 to 32.

We have also been supporting the Government in progressing changes to resource management laws and establishing a new fast-track consenting regime. The new regime aims to improve the speed and process for resource approvals for major infrastructure projects, including in industries such as aquaculture and mining in the regions.

Helping New Zealanders after severe weather events

Due to its geography and location, New Zealand is prone to natural hazards. As the climate changes, we can expect damaging environmental events to increase in frequency and severity. The severe weather events in 2023 caused widespread flooding and damage to land and buildings across the North Island and isolated several communities from the rest of the country.

A significant focus after the North Island weather events (NIWE) in 2023 was on finding accommodation for people whose homes were affected. MBIE activated TAS, supporting people across seven regions in the North Island. TAS supports affected households to find temporary accommodation while their homes are being repaired, rebuilt or if they are unable to return to their homes. As at 30 June 2024, 1,209 households had received temporary accommodation for the NIWE response, of which 123 were still in temporary accommodation.

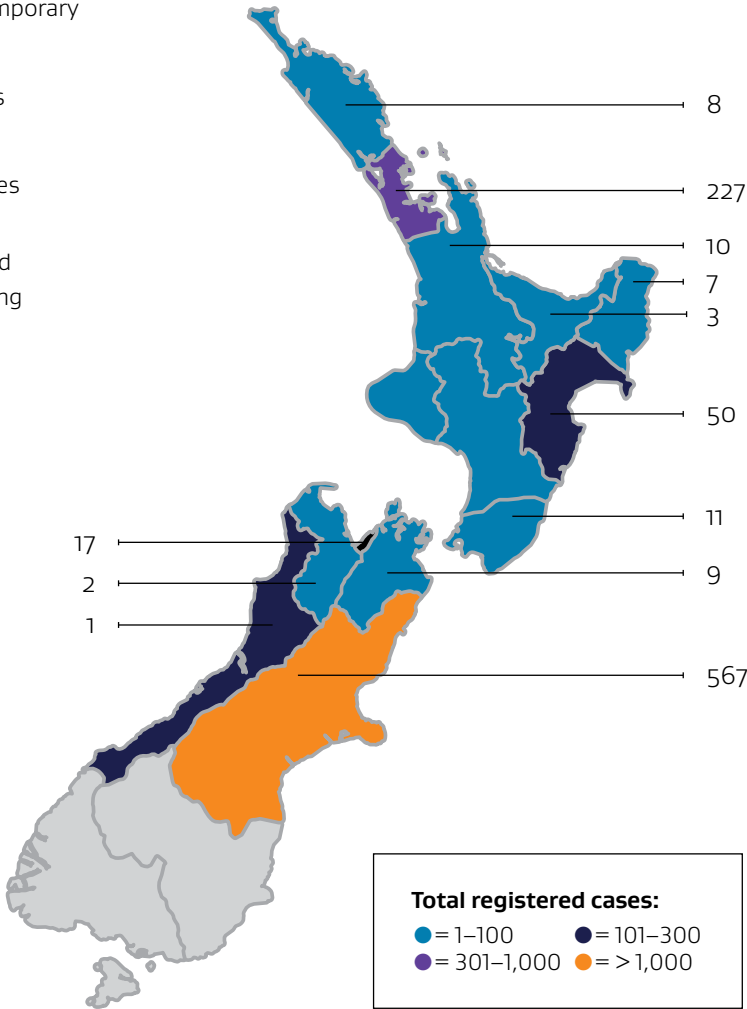
This year, MBIE released new natural hazards guidance that will:

- › support homeowners with damaged homes from severe weather events
- › help councils and homeowners understand the natural hazard provisions in the Building Act 2004 and apply them to new homes being built on land that may be subject to natural hazards.

- › MBIE also released guidance on discretionary exemptions for flood damaged buildings to help with the remedial work after extreme flooding events such as repairing and replacing flood-damaged plasterboard.

MBIE continued to support households affected by the NIWE through the New Zealand Claims Resolution Service (NZCRS), by providing independent advice and support to resolve residential insurance issues. As at 30 June 2024, 1,290 cases were registered, 988 resolved and 302 in progress related to NIWE. Since the establishment of NZCRS, we have registered 6,365 cases and closed 5,453 cases across 16 regions. Of these, 912 are still progressing across 12 regions.

Registered open New Zealand Claims Resolution Service cases by region



OUTCOME FIVE: DYNAMIC BUSINESS ENVIRONMENT FOSTERING INNOVATION AND INTERNATIONAL CONNECTIONS

What we're working towards A sustained lift in economic performance through the improved use of technology and innovation, greater capital investment and leveraging global connections.

Expenditure

- › Departmental: \$216 million
- › Non-departmental: \$1,689 million

Key funding streams

- › Science, innovation and technology
- › Digital technology and communications
- › International business growth and investment
- › Screen production

Agencies

- › Callaghan Innovation
- › New Zealand Trade and Enterprise

Core responsibilities

- › Science, innovation and technology settings and investment
- › Digital technologies and communication markets and infrastructure
- › Space policy
- › Government procurement

Key services



**NEW ZEALAND
SPACE AGENCY**

**RADIO SPECTRUM
MANAGEMENT**

2023/24 initiatives

- › Research funding and investment
- › Space initiatives
- › Radio spectrum

Outcome measure trends

Key:
 + Positive shift
 – Negative shift
 = Unchanged
 ‡ Not comparable

- › + Export income
- › – International collaboration on innovation
- › ‡ Innovative business activity
- › + Business research and development expenditure
- › + Productive capital investment
- › + Quality of foreign direct investment
- › + Capital intensity
- › + Early-stage capital investment

Performance measures

Achieved 29/37

- › Milestones 15/17
- › Quality 1/2
- › Satisfaction 2/4
- › Timeliness 8/10
- › Volume 3/4

Our economy operates within a global context and is heavily reliant on two-way trade, based on competitive advantage. It is important for the economy to adapt and innovate.

MBIE works to create a dynamic business environment. This is one where businesses can respond to new opportunities created by shifts in trade, productivity, preferences and technology. MBIE also seeks to increase capital intensity, develop international connections and support economic growth and capability building.

Investing in research

MBIE aims to build a high-performing science and innovation system by funding research and development programmes. This year, various funds and partnerships enabled innovation that helped support the growth of knowledge in the country.

Endeavour Fund: Transforming Aotearoa New Zealand's future

The Endeavour Fund is Aotearoa New Zealand's largest contestable research fund providing investment in projects to improve the country's future. This year, \$246 million was invested across 68 projects for the next five years with the potential to transform the economy, environment and society. These were selected by the Science Board, an independent statutory board, following a review by domestic and international experts. Significant areas of investment include manufacturing, primary production, natural hazards, freshwater environments and biosecurity. Projects include a programme to develop new wearable technology to change the way neurological disorders like Parkinson's disease and brain cancers are treated and a programme to increase support for arable crop processors to become successful international suppliers of high-value plant-based food ingredients.

Several past Endeavour programmes have received investment through the PreSeed Accelerator Fund, which supports early stage technology commercialisation. Of the 42 startups incorporated between 2019 and 2023 resulting from PreSeed investment, at least 20% are known to stem from intellectual property generated out of an Endeavour programme. Six notable examples that have collectively attracted significant venture capital investment are:

- › *AllegroEnergy* – long duration redox flow batteries for mass energy storage
- › *Kitea Health* – world-first brain implant for remote health monitoring
- › *Novolabs* – a world-first disinfection system for treating liquids with ultraviolet light
- › *Captivate* – commercial scale carbon capture to reduce greenhouse gas emissions
- › *Precision Chroma* – pioneering new chromatography for purification of biological byproducts.
- › *Periomedic* – using ultrasound to prevent gum disease.

National Science Challenges

The 11 National Science Challenges tackled some of the biggest science-based issues and opportunities facing Aotearoa New Zealand, including environmental, economic, technology, health and wellbeing challenges. These challenges were impact focused, aiming for real-world changes for New Zealand. They received \$680 million over 10 years, with funding ending this financial year.

One of the challenges was the Science for Technological Innovation (SfTI) challenge, to enhance the capacity of New Zealand to use physical sciences and engineering for economic growth. The New Zealand Institute of Economic Research reviewed a small selection of more advanced projects, closer to commercialisation, funded through this challenge. The Institute found that the projected revenue of just one of the selected projects, if successful, had the potential to pay off the entire \$106 million investment in the SfTI challenge within 10 years.

Examples of other challenge success stories include:

- › High-Value Nutrition clinical studies on Greenshell™ mussels in collaboration with Sanford Ltd, which underpinned the creation of the Sanford Bioactives Division, and Sanford investing in a new \$25 million bioactives extraction facility in Blenheim.
- › New Zealand's Biological Heritage produced and successfully trialled a prototype RNA tool for the targeted management of Varroa mite, affecting the honey industry, which is pending product registration in the United States of America.

- › The Deep South improved global climate models used in the United Kingdom, United States of America, Australia, Singapore, India, South Korea and New Zealand. These models contribute to projections of future climate in the Intergovernmental Panel on Climate Change assessment reports.

Other science, innovation and technology funding

In addition, MBIE supports several additional science, innovation and technology initiatives, including:

- › the Aotearoa New Zealand Tāwhia te Mana Research Fellowships, administered by the Royal Society Te Apārangi. It aims to support around 300 fellows over the next decade to produce impactful research through the development and retention of talented researchers.
- › an applied doctorates training scheme that aims to enable applied research training so students can respond to practical problems in industry and other applied settings and enter careers outside of academia, such as in industry and Crown research institutes.

Supporting business research and development

To become more productive, New Zealand businesses need to increase their investment in research and development. The Research and Development Tax Incentive (RDTI), which MBIE helped develop, provides a 15% tax credit on eligible research and development expenditure. It aims to lift overall research and development activity in New Zealand and generate benefits for the wider economy. To date, the scheme has over 1,880 actively enrolled businesses and has supported \$4.5 billion of eligible research and development expenditure, with \$676.7 million in paid tax credits. The first five-yearly statutory evaluation is under way and will consider the scheme's impact, administration and compliance.

Creating connections through outer-space initiatives

The New Zealand Space Agency at MBIE coordinates the partnership between the US-based Environmental Defense Fund's subsidiary MethaneSAT LLC and the New Zealand Government that facilitates New Zealand's first official government-funded satellite mission to detect and measure global methane emissions. Gaining a better understanding of agricultural methane emissions will provide much-needed evidence to support reductions for New Zealand and across the globe.

On 5 March 2024, the satellite was launched on a SpaceX flight from Vandenberg Space Force Base in California and is expected to send operational data to Earth later in 2024. New Zealand's participation includes:

- › hosting the satellite's mission operations control centre and leading an atmospheric science programme
- › studying global emissions from agriculture
- › bringing together the relevant government agencies to prepare a response plan in the unlikely event of a rocket launch incident.

As part of the \$6.5 million Catalyst Fund allocated for Earth observation projects, 12 New Zealand research teams received up to \$75,000 to conduct Earth observation feasibility studies with NASA partners. The studies look at:

- › food production
- › how floods and droughts can be anticipated
- › measuring environmental impacts, including tracking pasture quality with satellite imagery and dynamic forest mapping.

Inspiring space exploration

The New Zealand Space Scholarship encourages the next generation of talented people to pursue careers in space-related fields by funding their participation in international internships in the United States of America offered by NASA.

In 2024, six students were awarded the scholarship to support internships at NASA's Ames Research Center and Jet Propulsion Laboratory. With the support of a mentor, students work on space-related research and development projects, such as improving spacecraft positioning techniques and use of computer systems that model the human brain and nervous systems to expand the autonomous capabilities of small spacecraft.

Following their internships, these students will bring home skills, knowledge and connections that will be invaluable for them personally and will also help to strengthen and grow New Zealand's science and space sectors.

Radio spectrum five-year outlook

The radio spectrum is a vital resource that enables wireless digital connectivity. It underlies and supports many economic activities, contributing to Aotearoa New Zealand's economic growth, innovation and global competitiveness. Creating an environment for digital transformation using radiocommunications technologies and radio spectrum resources is a high priority.

MBIE is responsible for the regulation, administration and investigation of the national radio spectrum.

The speed of technological development in telecommunications requires us to monitor emerging wireless technologies, their use of the radio spectrum, and to anticipate areas of growth and development in spectrum management.

This year, MBIE released a five-year spectrum outlook for 2023 to 2027, to manage the growing demands that affect the use of the radio spectrum. The outlook examines the direction that digital transformation might take, noting the international context and implications for New Zealand.

Government procurement

Government procurement supports many aspects of New Zealanders' lives. It makes sure that goods and services are provided for schools, hospitals, transport, primary industries, science, service industries and so on in a cost-effective way.

We have been working on a new government-wide procurement platform that will capture high-quality data and enable greater coordination and collective purchasing power across multiple agencies. The first phase of the platform is planned to go live in the next financial year.

The way we work

As the lead micro-economic agency, MBIE has an important role in supporting the Government to deliver its economic vision through an agreed comprehensive programme of work. To achieve this, we are working to lift our own productivity, find efficiencies and maintain strong fiscal discipline to provide greater value and higher levels of service for every dollar spent to achieve better public services.

We have been making sure we can respond flexibly to future demands. This has included bringing together like functions and teams; better using the skills, experience and capabilities of our people; and automating processes to allow us to place greater focus on providing services for the people we serve.

MBIE has continued to look at how it best operates in a tighter financial environment, including its programmes of work, financial position and the size and capability of its workforce. We need MBIE's operational and financial structures to be sustainable over the long term and deliver on the Government's priorities. This lets us plan and prioritise, making sure our resources achieve positive outcomes efficiently and effectively for New Zealanders.

Engagement of our workforce is central to this. MBIE strives to create an environment where people want to work, where they are engaged in meaningful work and aim for excellence. MBIE remains in Randstad's top 10 most desirable New Zealand workplaces. This is a testament to the positive reputation we have as an organisation and reflects the continued recognition of the importance of the work we do. Building trust and confidence in the public sector is a major driver for our agency. We want MBIE to continue to be a place where people want to contribute to the work we do for New Zealanders. Strong leadership and the continued development of leadership capability are vital, along with making sure MBIE provides an equitable and inclusive environment where its people can develop and thrive.

Our values are central to how we work and interact with one another and with our customers and partners.



Leadership, governance and risk

Our senior leadership team consists of the Secretary (Chief Executive), eight deputy secretaries and the Chief Advisor to the Secretary. They are responsible for the achievement of MBIE's strategic outcomes, including the ongoing stewardship of MBIE, its people, systems and functions. They make sure MBIE's efforts and resources are focused on the right areas at the right time. They also champion MBIE's values and drive cultural change.

MBIE's chief executive is accountable for the leadership and overall performance of the organisation and has representation on various boards and governance entities, such as the Council of Financial Regulators.

Effective governance allows MBIE to achieve its core outcomes through a framework of leadership, stewardship and decision-making. MBIE's governance system, Mana Whakaruruhau, is made up of a series of committees that provide the architecture through which the organisation delivers its strategic intentions. This allows us to solve real-time issues and consider future-focused options. The responsibilities of these committees include:

- › agreeing and delivering on our organisational strategy
- › prioritising investment
- › getting assurance on the effectiveness of our services and capabilities
- › managing systems to keep our people safe and well
- › monitoring risk
- › monitoring performance across the organisation.

Monitoring risk is an important part of how we operate, and we integrate effective risk management into our culture, governance arrangements, business planning and decision-making processes. Monitoring and managing risk is the responsibility of everyone at MBIE, but we also have risk and assurance specialists to manage strategic and operational risks. Additionally, an external risk and advisory committee provides independent, objective advice on the framework and insights on risks and how MBIE is responding to these.

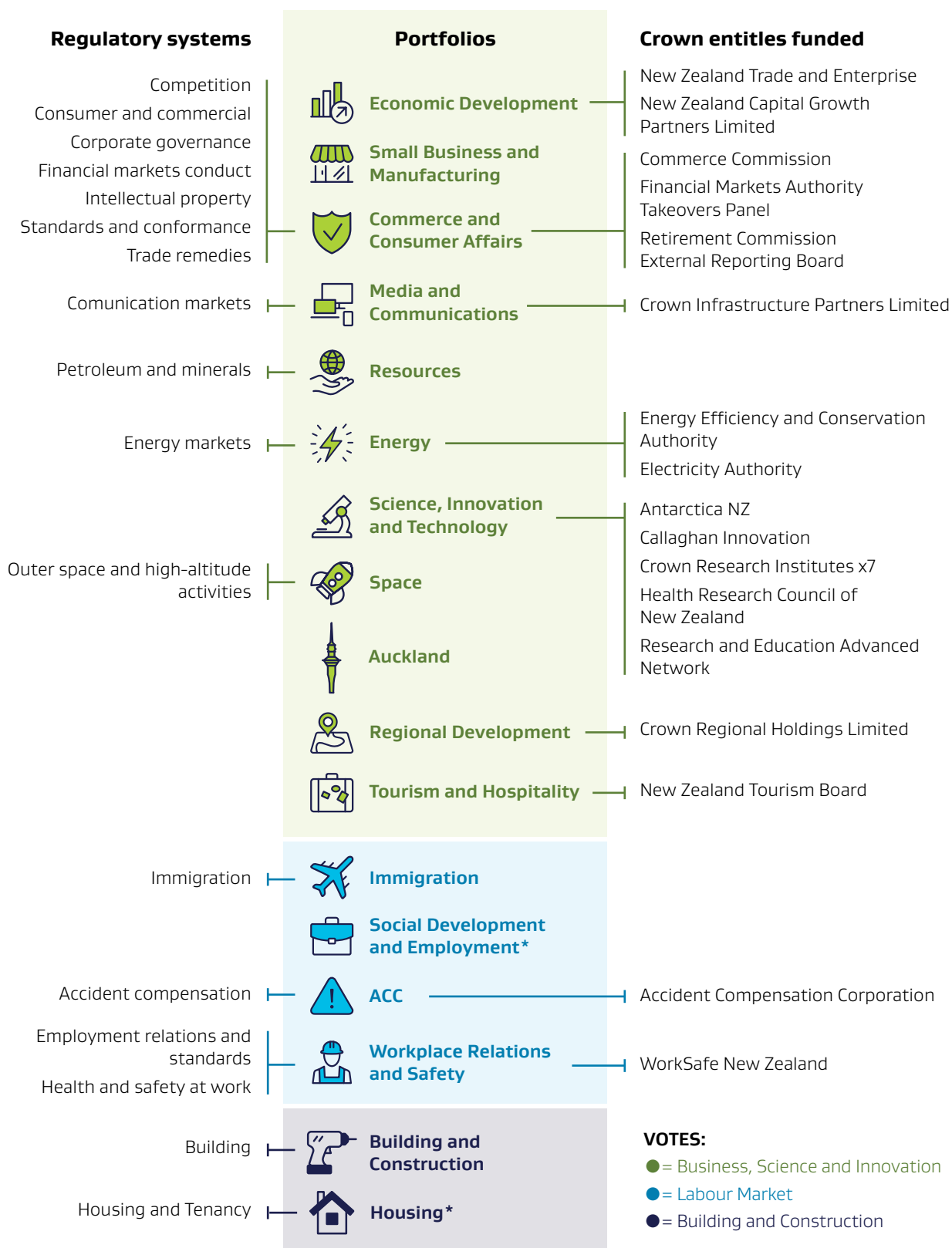
Our scope and responsibilities

MBIE's main responsibilities span 15 interconnected ministerial portfolios (supporting several more) across three funding areas (known as Votes). The Minister responsible for MBIE, the Minister for Economic Development, is accountable to Parliament to make sure MBIE carries out its functions effectively and efficiently.

MBIE has responsibility for 17 regulatory systems with considerable variation in scope, function, risk profile, stakeholders, interfaces, and public and political scrutiny. These systems underpin economic activity and growth and provide safety and certainty to people, businesses and the country as a whole.

MBIE also has responsibilities relating to the operations, funding, monitoring and support of Ministers in the execution of their duties for several Crown entities and statutory bodies. MBIE is the functional lead for the Government's property and procurement functions.

MBIE is also responsible for performance monitoring, appointments and relationship management arrangements for other entities, such as licensing boards, advisory boards, ministerial advisory committees, dispute resolution boards, charitable trusts, incorporated societies, authorities, and statutory boards.

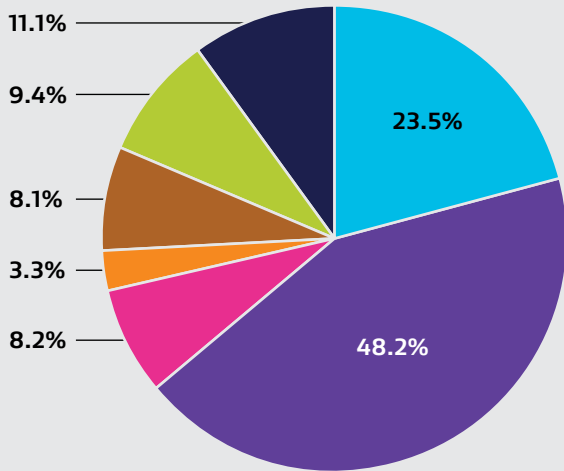


VOTES:
 ● = Business, Science and Innovation
 ● = Labour Market
 ● = Building and Construction

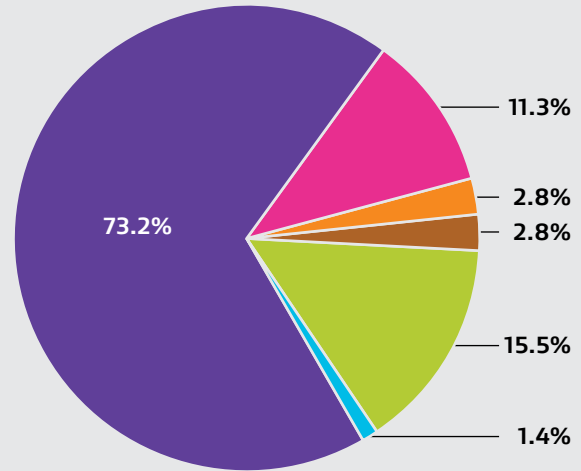
*MBIE leads on Employment within the Social Development and Employment portfolio and has key Tenancy responsibilities as part of the Housing portfolio. Other portfolios we support include Māori Development, Emergency Management and Recovery, Sports and Recreation and Public Service.

Our People

MBIE staff by ethnicity



MBIE leadership by ethnicity – Tiers 1–3



Asian European Māori Middle Eastern, Latin American, African Other Ethnicity Pacific Peoples Unknown

Note: Employees are able to identify multiple ethnicities so the percentage total does not add up to 100%.

MBIE staff by gender



MBIE leadership by gender – Tiers 1–3



6,430*
PEOPLE
(6,196.5 FTE)



2.2%

OF OUR PEOPLE HAVE DISCLOSED A DISABILITY



65%

OF OUR PEOPLE WORK IN SERVICE DELIVERY ROLES



14.6%

OF OUR PEOPLE HAVE WORKED AT MBIE FOR 10+ YEARS

*Total headcount (and full-time equivalent positions), as at 30 June, 2024.

Māori–Crown relations

Treaty settlement commitments

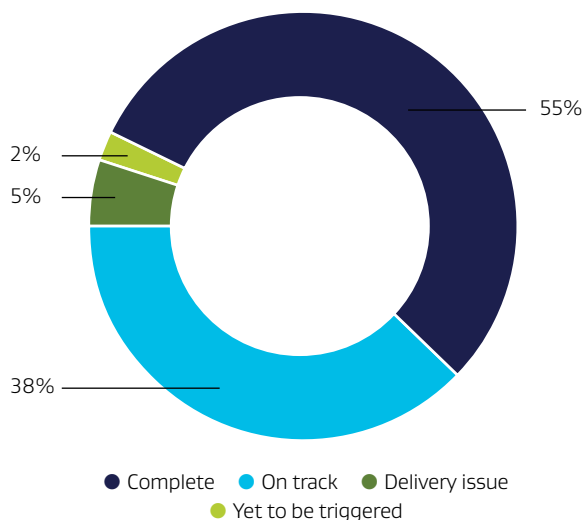
He Korowai Whakamana, a Cabinet-agreed framework, requires core Crown agencies to record and track the status of, and report annually on, their settlement commitments. Te Arawhiti – the Office for Māori Crown Relations is the lead agency and responsible for tracking the Crown’s overall progress with delivering on Treaty settlement commitments.

As part of *He Korowai Whakamana*, core Crown agencies will report on the status of their settlement commitments from 2023/24.

MBIE, on behalf of the Crown, is responsible for fulfilling a range of commitments made to iwi groups as part of the settlement of historical Treaty claims. These commitments are recorded in deeds of settlements and Treaty settlement Acts. MBIE has 245 Treaty settlement commitments across 60 settlements.

As at 30 June 2024, most of the commitments MBIE is responsible for have been completed (55% or 136 commitments) or are on track (38% or 93 commitments). The high number of commitments ‘on track’ relate to the establishment and operations of ongoing relationships, including Crown Minerals Protocols, Iwi–Crown Accords and relationship agreements.

Status of Treaty settlement commitments



Of the commitments, 175 relate to Crown Minerals Protocols, the Crown Minerals Act 1991 or natural resources generally. Fifty commitments relate to the establishment of formal relationships, like Iwi–Crown Accords (all-of-government relationships that include obligations on Ministers), bilateral and multi-agency relationship agreements between MBIE and iwi groups.

Te Tāpuhipuhi

During the year, we also launched Te Tāpuhipuhi, MBIE’s partner with Māori strategy, to deliver on one of the focus areas of our organisational strategy, Te Ara Amiorangi. It includes four pou:

- › Herenga Waka makes sure we have systems that enable strong relationships and improved outcomes for Māori.
- › Whakaputanga makes sure we have the processes, policies and services that enable strong relationships and improved outcomes for Māori.
- › Pūkenga enables the individual and organisational capability for strong relationships with, and improved outcomes for, Māori.
- › Rangatiratanga makes sure we demonstrate leadership and accountability individually and as an organisation.

Treaty guidance for policy

Policy, and associated legislation, is a core part of how the Crown governs national affairs. It is also essential for supporting the Crown in its relationship with Māori under the Treaty of Waitangi/Te Tiriti o Waitangi.

This year we developed the Treaty Guidance for Policy, which outlines the way we can incorporate the Treaty/Te Tiriti in our policy development. It is set out in four steps: understanding the context, identifying what good looks like, developing options and delivery. MBIE uses the Treaty Guidance for Policy to support its policy practitioners and programmes to have the capability and guidance to uphold MBIE responsibilities under the Treaty/Te Tiriti and the Public Service Act 2020. It is important we maintain consistent practices when we work with iwi, hapū or within te ao Māori, and the guidance helps people to understand and apply the Treaty/Te Tiriti in their policy development process.

Whāinga Amorangi and Te Ara Reo Rangatira

The Public Service Act 2020 section 14 explicitly recognises the role of the Public Service in supporting the Crown in its relationships with Māori under the Treaty/Te Tiriti. To support the public service to meet its commitments, Te Arawhiti – the Office for Māori Crown Relations developed and led the implementation of Whāinga Amorangi: Transforming Leadership. This is a cross public service initiative under which every agency has a plan to build their individual and organisational capability to engage with iwi Māori. Whāinga Amorangi supports MBIE in meeting its Māori–Crown relations responsibilities under the Public Service Act 2020 and increases MBIE’s capability in Māori–Crown relations.

Our ability to work in partnership with Māori aims to be enduring and consistent across MBIE and the public sector. Whāinga Amorangi is designed to empower our people to build understanding and confidence across core capabilities. We recognise our people are at various stages of their journey and will require differing levels of support to build their capability in Māori–Crown relations.

The strategy supports our people to build Māori–Crown relations capability, increases our understanding of why the Māori–Crown relationship is important and how to reflect this in our work/mahi every day.

Whāinga Amorangi includes four capability areas:

- › Te reo Māori
- › Te Tiriti o Waitangi/the Treaty of Waitangi and Aotearoa New Zealand history
- › Tikanga/customs and kawa/protocols
- › Engagement with Māori.

Our Māori language strategy, Te Ara Reo Rangatira, is an important part of Whāinga Amorangi. This strategy outlines MBIE’s commitment to supporting the development and use of te reo Māori as a valued and living official language of Aotearoa New Zealand.

For more information on how we are progressing Whāinga Amorangi and Te Ara Reo Rangatira, see appendix 8.

Inclusion and belonging

We value our people and strive to reflect the communities we serve. Our inclusion and belonging strategy, Nō Konei–Belong, focuses on having inclusivity at the heart of our work/mahi, creating a sense of belonging and meeting public sector-wide diversity, inclusion and equity objectives.

To understand the experiences of diverse population groups within MBIE, we use human-centred design principles to run focused engagement exercises. These allow us to hear directly from our diverse communities about their experiences and perspectives of working at MBIE, what does and doesn’t work for them, what matters most, and what we need to prioritise to make changes that would have a positive and sustainable impact.

To date, we have engaged with our Tangata Whenua, Pasifika, Asian and Rainbow employees. We have also engaged with those who identify as being neurodivergent or having medical, physical or mental illnesses, disabilities, impairments, conditions or disorders, including caregivers and support people. We are working to embed the recommendations from these sprints to better support and enable these communities to belong and thrive at MBIE.

As part of our commitment to equal employment opportunities, our programmes on diversity, equity and inclusion and Māori–Crown relations outline MBIE’s commitment to identifying and eliminating policies, procedures and other institutional barriers that cause or perpetuate inequality. In addition, we are committed to the Accessibility Charter and continue to make sure our public information is accessible. We assess our websites, to make sure they comply with the New Zealand Government Web Accessibility Standards, and reasonably accommodate the needs of people with disabilities and support their health and wellbeing.

Papa Pounamu, led through Te Kawa Mataaho – Public Service Commission, sets the diversity and inclusion work programme for the wider public service. For more information about our inclusion and belonging work programme, see appendix 8.

Kia Toipoto: Closing gender, Māori, Pacific and ethnic pay gaps

MBIE's gender pay gap has trended down in recent years but was 14.2% as of 30 June 2024 (a slight increase from 12.9% the previous year). Two factors influencing our pay gaps over the financial year are the implementation of the Public Service Pay Adjustments for employees not covered by collective bargaining agreements and the voluntary redundancies within our recent change process, designed to make sure we are operating efficiently and effectively, and within budget.

The pay gap for Māori was 4.2% (a 2.2% decrease from the previous year).

Efforts to close the pay gaps have focused on:

- › introducing career and pay progression
- › continuing to remove unconscious bias in career and pay-related processes
- › undertaking line-by-line pay reviews (like-for-like roles)
- › developing tools to support pay decisions. For example, recruitment guidelines, pay restraint guidelines and a remuneration comparator tool have been introduced to help people leaders make more informed decisions around pay and the implications for pay equity.

For more information about what we are doing to close gender and ethnic pay gaps, see appendix 8. MBIE's Kia Toipoto – Pay Gaps Action Plan and Diversity and Inclusion Plan will be posted on its website by 15 November 2024.

Wellbeing, health and safety

Workplace wellbeing, health and safety is a priority for MBIE. We are part of the Accident Compensation Corporation (ACC) Accredited Employers Programme (AEP). As part of its annual AEP–ACC audit, in October 2023, ACC once again evaluated our performance as a 'tertiary' qualification, which means we are consistent in showing a "continuous improvement, good practice framework" in the workplace. We also use WorkSafe New Zealand's SafePlus quarterly surveys to monitor the health and safety culture at MBIE with the goal of becoming a 'leading' organisation for health and safety practices.

MBIE's online wellbeing hub, Te Puna Ora, offers practical information on managing wellbeing, along with access to support services for those within the organisation.

In 2023/24 we prioritised a workplace culture that has wellbeing, health and safety as its main focus, by ensuring our people have ongoing engagement and learning opportunities. This year we:

- › conducted seven webinars to help people understand their own and their team members' wellbeing needs
- › trained 138 floor wardens, 132 first aiders and 109 wellbeing, health and safety representatives across the organisation
- › offered learning modules about safety and wellbeing to boost engagement: 99% of people completed the staff safety and wellbeing module, 92% of people leaders completed the leader's safety and wellbeing module, and 99% have completed the security module
- › introduced the Wellbeing Health and Safety Representative training framework, which offers a pathway to the National Certificate in Workplace Health and Safety
- › regularly published seasons-relevant health and safety advice to educate our people on how to stay safe while at work and outside the workplace.

For more information about our wellbeing, health and safety work, see appendix 8.

Our digital and data journey

MBIE's Digital Blueprint Programme uses technology and data platforms effectively and keeps MBIE's technology environment safe and secure. Over the past year, the programme has delivered several new capabilities. These include: enhanced monitoring and response activities to cyber threats, ensuring MBIE digital assets are protected, secure access to systems resources and networks, multi-year ICT vendor contracts and the introduction of evergreen concepts to avoid the need for annual costly upgrades.

Our Empowered by Data Programme aims to progressively raise our data and insights maturity and make MBIE a data- and evidence-led organisation. These insights are used to support the delivery of our services, as well as the development and monitoring of government policy. Data and insights provide evidence and the ability to measure outcomes while providing information and intelligence for decision-making.

During 2023/24, MBIE continued to mature its data capability and platforms. We developed a products and services catalogue, the Enterprise Data Governance Policy, and data-focused online training modules for all MBIE staff. This work also created the foundations for MBIE to develop its new data strategy – Te Mātahi. Te Mātahi aims to create an integrated data system designed to unlock the value of data to drive economic growth, innovation and prosperity for Aotearoa New Zealand.

Sustainability

We are committed to understanding and addressing the actual and potential effects of climate change on our operations, strategy and investments.

We have measured and reported on our operational emissions since 2018/19 and have set science-aligned targets to reduce emissions by 25% by 2025 and 46% by 2030, compared with the base year 2018/19. Our 2023/24 emissions are within our 2025 emissions reduction target trajectory and have been achieved through the implementation of the following initiatives:

- › prioritising and managing employee travel demand to meet our emissions reduction targets
- › embedding sustainability into our property and leasing strategies, prioritising energy, waste and emissions efficiency in our decision-making
- › improving the operational efficiency of our fleet and transition of light vehicles to electric or plug-in hybrid vehicles
- › identifying opportunities in our procurement processes to reduce operational emissions and improve sustainability reporting.

We are developing a system-based approach to identifying, assessing, managing and reporting on the climate-related risks and opportunities that MBIE is exposed to. This approach is aligned with the External Reporting Board's Aotearoa New Zealand Climate Standards and the Task Force on Climate-related Financial Disclosures framework.

For more information about our sustainability work programme and Carbon Neutral Government Programme reporting, see appendix 9.

OUR PERFORMANCE ON OUR SERVICES & FUNCTIONS: OUTCOME & OUTPUT MEASURES 2023/24

This section of the report includes information on the performance for services delivered through the year that contributed to the achievement of our outcomes. This includes information on some services delivered by Crown entities where they were funded by multi-category appropriations (MCAs), multi-year appropriations (MYAs) and permanent legislative authorities (PLAs).

Performance information replicates wording as set out in our Strategic Intentions 2023-28, the 2023/24 Main Estimates and Supplementary Estimates across Votes Building and Construction; Business, Science and Innovation; and Labour Market.

Outcome indicators and output performance measures are different ways of assessing performance. Our outcome indicators represent movement towards our longer-term goals and are trend based. They need to be viewed over the long term (multiyear) and often reflect the efforts of many actors, including MBIE. They provide a view of whether the indicators are moving in the right direction. All outcome indicators are reported using the most up-to-date data available at the time of analysis. Our output performance measures assess whether we have achieved specific services or functions that collectively support the overall achievement of our outcomes.

Disclosure of Judgements

Reporting Entity

The Ministry of Business, Innovation and Employment (MBIE) is a New Zealand government department as defined in section 5 of the *Public Service Act 2020*.

The relevant legislation governing MBIE's operations includes the *Public Finance Act 1989*, *Public Service Act 2020* and *Public Accountability Act 1998*. MBIE's ultimate parent is the New Zealand Crown.

MBIE's primary objective is to provide services to the Government and New Zealand public. MBIE does not operate to make a financial return and is a public benefit entity (PBE) for performance reporting purposes. The Performance Report covers all of MBIE's activities as set out in the 2023/24 Main and Supplementary Estimates of Appropriations for Votes Building and Construction; Business, Science and Innovation; and Labour Market.

In the Performance Report, MBIE has reported against performance measures for both departmental activities and activities performed on behalf of the Crown. See pages 55 to 126.

The Performance Report for MBIE is for the year ended 30 June 2024. The Performance Report was authorised for issue by the Chief Executive of MBIE on 30 September 2024.

MBIE's performance measures are reported from pages 15-32 and pages 55-126. Additional information including Budget Significant Initiatives (page 14), Our Outcomes (pages 15-32) and The Way We Work (organisational capability) (pages 33-40) provide additional context to MBIE's performance for the year ended 30 June 2024.

Statement of Compliance

The Performance Report has been prepared in accordance with Tier 1 PBE financial reporting standards, which have been applied consistently throughout the period. The financial statements and service performance information have been prepared in accordance with PBE Standards and in accordance with Generally Accepted Accounting Practice (GAAP).

Purpose and Strategic Outcomes

MBIE is a large and complex organisation whose work touches on the daily lives of all New Zealanders. We are the lead micro-economic agency. We work across over 17 interconnected ministerial portfolios, three Votes, 17 regulatory systems and are responsible for over 115 Acts. We have over 190 appropriations and over 248 non-financial departmental performance measures.

MBIE's purpose is to Grow Aotearoa New Zealand for All. We grow opportunities (Puāwai), guard and protect (Kaihāpai) and innovate and navigate towards a better future (Auaha). This provides the context to the five Strategic Outcomes detailed below that help us work towards achieving this purpose.

Outcome One: Prosperous and adaptable people, sectors and regions

Outcome Two: Skilled people engaged in safe and productive work

Outcome Three: Competitive markets with informed consumers and businesses

Outcome Four: Strong and resilient economy and value derived from natural resources

Outcome Five: Dynamic business environment fostering innovation and international connections

Outcomes are long-term in nature. Within each outcome are measures and associated indicators that assess MBIE's progress towards achieving the outcome and allow progress to be reported to stakeholders. Changes to MBIE's outcome measures and indicators through its Strategic Intentions 2023-28 are outlined in the 'Changes to Outcome Measures' section.

MBIE delivers through policy, regulation and investment. We also provide direct services to the public, such as immigration, employment relations services, public sector procurement, services to business, and temporary housing.

Critical Reporting Judgements, Estimates and Assumptions

Performance measures have been selected for each of the activities which MBIE performs. In selecting performance measures for these activities, judgements must be made to determine which aspects of performance are relevant and meaningful to users of the Performance Report. With the exception of policy advice measures, MBIE has discretion to select its measures and targets.

Judgement is also involved in determining how to measure performance against the measures selected.

To disclose material judgements, MBIE has aggregated performance measures into the following subsets:

- › research
- › regional investment
- › development of new initiatives
- › service delivery and customer satisfaction
- › policy advice and related services to ministers.

The judgements that have the most significant impact on selection and measurement are disclosed below.

Research

MBIE administers the Government's scientific research investments to meet New Zealand's economic, social and environmental goals. MBIE awards funding to applicants through a variety of investment processes and devolves funding to a variety of organisations to administer their investments. Where entities have been awarded funding, we monitor the progress of the funded projects to:

- › ensure government funding is being spent appropriately
- › support the delivery of science excellence and impact
- › inform future investments.

How we measure progress:

Contract Monitoring Measures

MBIE manages a significant number of research contracts each year. Contract monitoring performance measures have been selected as contract monitoring has a material impact on ensuring that funding is being used appropriately to generate the research it was granted for, which contributes to MBIE's strategic outcomes.

What MBIE monitors within each contract depends on the contract and work programme. Judgements are made for each contract about the elements that are relevant and material for monitoring, for example, progress on delivering the work programme, significant changes and highlights. Key performance indicators are set at the contract level. Contract holders generally provide annual reporting, and these reports are assessed and may be moderated, depending on the type of science and research fund.

Due to the high number of contracts and projects being monitored, MBIE has made a judgement to provide aggregate contract monitoring measures in the annual report.

The targets for contract monitoring measures have been set mostly at 100%, to ensure funds are provided to third parties with adequate accountability over their use.

Regional Investment

The overarching purpose of Regional Investment funds is to improve the wellbeing of New Zealanders living in regional New Zealand. More information can be found on the following website: www.growregions.govt.nz

Kānoa – Regional Economic Development and Investment Unit (Kānoa – RD) is responsible for directly managing contracts as part of its role in administering the Crown’s investment funds. This includes managing loan and equity contracts on behalf of Crown Regional Holdings Limited (CRHL). The secondary role is administering and reporting on contracts directly managed by partner agencies.

How we measure progress:

Contract Monitoring Measures

As with Research activities, contract monitoring performance measures have been selected as contract monitoring has a material impact on ensuring that the other party to the contract delivers outputs which contribute to MBIE’s strategic outcomes.

Due to the high number of contracts and projects being monitored, MBIE has made a judgement to provide aggregate contract monitoring measures in the annual report.

The targets for contract monitoring measures have been set at 100%, to ensure funds are provided to third parties with adequate accountability over their use.

Service Delivery and Customer Satisfaction Measures

MBIE has six performance measures on ‘the satisfaction of the *Crown Regional Holdings Limited Directors*’ that support MBIE’s role in managing loan and equity contracts on behalf of Crown Regional Holdings Limited (CRHL). There is a Management Agreement between MBIE and CRHL that sets out what services MBIE (through Kānoa – RD) will provide.

This measure has been selected as MBIE is providing services to another entity. Therefore, the entity’s satisfaction with services provided is a relevant and reliable measure of the quality of those services.

The survey measures the CRHL Directors’ satisfaction with the Kānoa – RD services and timeframes and provides directors with a chance to provide feedback and to identify any improvement opportunities. The survey, run through MBIE’s SurveyMonkey account, ensures that Kānoa – RD is providing services at agreed levels and timeframes for directors.

Development of New Initiatives

MBIE establishes initiatives to deliver on its long-term outcomes and respond to government priorities. Initiatives typically go through a series of stages before a policy, legislation or service is delivered.

Timeliness of deliverables is a significant material element of performance at the early stages of getting initiatives off the ground and operational.

The selection of measures is based on which phase of development the initiative is at. For startup and programme initiation stages, measures usually cover the timeliness of specific deliverables that typically include the planning, development and design stages of new initiatives.

Service Delivery (Customer Satisfaction)

Customer satisfaction surveys are important instruments for understanding customers’ experiences and expectations of the services that MBIE provides. Surveying service users can be critical for providing information for individual service enhancements and supporting accountability and improvement. Collectively, these surveys can also provide the basis for understanding how well MBIE engages with its operational stakeholders across the Ministry.

MBIE has implemented an organisation-wide policy on client satisfaction surveys that also ensures consistency with accountability documents such as the Statement of Intent (SOI).

Survey measures

Survey performance measures have been selected because they have a material impact on ensuring that the service being provided by MBIE meets customer standards. These measures allow the Ministry to measure indirectly the impact of the service we provide which contribute to MBIE's strategic outcomes.

MBIE's customer satisfaction survey guidelines outline the approach and principles for creating effective surveys. This includes instructions on how to properly design surveys, select participants, adhere to ethical standards, and handle data storage in accordance with industry best practices.

The survey questions are designed by each business group to cover the specific aspects of its service.

In-house experts review the surveys to make sure they meet best practice and follow MBIE's client satisfaction survey guidelines. Questions are written in plain language and short sentences, are not leading questions, and response options are balanced.

The frequency of each survey varies, depending on the extent of the interaction and size of the customer base. Some are conducted more frequently (monthly or quarterly rather than annually) to ensure a better and more considered response rate, as well as to provide continuous feedback and make improvements.

Policy Advice and Related Services to Ministers

In keeping with the Department of the Prime Minister and Cabinet's (DPMC's) Policy Quality Framework, MBIE measures progress towards delivering quality policy advice. It does this by applying the prescribed measures for quality of policy advice and Ministerial satisfaction that all government agencies with policy advice appropriations must apply. This includes a target score for the quality of policy advice using the Policy Quality Framework. More information on the Policy Quality Framework can be found at Progress and Performance under The Policy Project's section on DPMC's website.

Within the policy advice and related services to Ministers appropriations in MBIE's three Votes, MBIE also measures progress on the timeliness of services provided to Ministers.

Quality of policy advice measures

In applying DPMC's Policy Quality Framework, MBIE made the judgement to establish its own assessment panels for reviewing the quality of its policy advice and to undertake assessment on a quarterly basis. Assessing quality of advice quarterly allows MBIE to assess how well new initiatives and practices are being used, and what difference they are making to the quality of advice. The process to assess the quality of MBIE's policy advice is known as Te Ara Poutama and includes assessing a random sample of papers using seven panels covering MBIE's policy areas.

MBIE randomly samples policy papers in each portfolio for review, ensuring at least a minimum sample size, approximately 15%, is obtained. Papers are assessed by one of six panels against MBIE's quality criteria for policy advice; these criteria are derived from the DPMC Policy Quality Framework.

Te Ara Poutama results are moderated each quarter. Each assessment panel submits a paper to a moderation panel consisting of Policy Directors from across MBIE. A fresh assessment of each paper is completed by the panel for quality control. The Te Ara Poutama process also includes the option for a selection of papers to be externally reviewed annually, to ensure MBIE panel scoring is consistent with quality of policy advice standards. The last external review was undertaken in October 2023.

Ministerial satisfaction measures

Ministerial satisfaction is measured by survey. MBIE surveys the primary Ministers of the MBIE policy areas with a *Policy Advice and Related Services to Ministers* appropriation category in the Estimates of Appropriations. MBIE does not survey Ministers who have been in their role for less than four months.

MBIE does not regularly survey other portfolio Ministers who also receive MBIE's policy advice including Associate Ministers or Parliamentary Under-Secretaries.

The Ministerial Policy Satisfaction Survey contains a set of common questions as instructed by DPMC¹. The survey asks each Minister to answer 21 questions about general satisfaction, quality of policy advice, and overall performance using 1 to 5 Likert scales,² as well as three free-text questions about satisfaction.

The survey periods are typically from July to December and January to June and results from both surveys are combined for year-end reporting. MBIE sends two surveys but if only one is returned, the year-end results will be from a single survey and, if applicable, this is disclosed in the relevant performance measure footnote.

Note that, due to the 2023 General Election, the typical July to December survey period was changed to survey of the First 100 Days, with the second survey covering up to June 2024.

Percentage of requests completed within either specified or statutory timeframes measures

As the timeliness of statutory requests is important to MBIE's role supporting responsible Ministers, MBIE measures the percentage of types of correspondence sent in the relevant financial year that were delivered to Ministers' offices within an agreed deadline.

These performance measures are stated as 'percentage of requests completed within either specified or statutory timeframes' covering responses to ministerial correspondence, written parliamentary questions and Ministerial *Official Information Act 1982* requests, and 'Ministers receive advice on entities' accountability documents within statutory timeframes' relating to Crown entities' statutory documents.

MBIE has selected this measure based on the need to support wider government processes and fulfil MBIE's responsibilities to its Ministers (part of this includes delivering responses on a timely basis).

The timeframes for all categories are agreed with each Minister's office.

Performance Measures Footnotes

MBIE has established specific criteria and variance thresholds, to determine when additional information is necessary and includes footnotes for some non-financial performance measures where they provide meaningful additional information. MBIE sets targets for performance based on historical performance, where appropriate, to encourage continued improvements, as well as on what it expects to deliver and to the expected level.

The following criteria were applied to ensure MBIE discloses the most relevant and useful information including performance measures where performance results are:

- › materially³ different from the target
- › measures with a binary performance target (achieved/not achieved) where the result was 'not achieved'
- › ministerial servicing quality and volume measures that do not achieve the target:
 - ministerial correspondence
 - *Official Information Act 1982* requests
 - parliamentary questions
- › derived from surveys
- › of public interest.

Or, where there have been:

- › major variances between the current and prior year results
- › material⁴ changes in performance measures and targets for an appropriation.⁵

Material changes in performance measures for an appropriation

The most significant changes to MBIE's performance measures and targets are outlined in the tables and footnotes within the *Output Measures* sections for each outcome.

¹ <https://www.dPMC.govt.nz/sites/default/files/2022-07/guide-ministerial-policy-satisfaction-survey.pdf>.

² A 5-point Likert scale asks customers to specify their levels of agreement with a statement, from high (5) to low (1) with one neutral option in the middle.

³ Results where the variance between actual and target is greater than 8%.

⁴ Changes in performance measures and targets for an appropriation that have an impact in the year-end results.

⁵ Additional information on changes to performance measures and targets can be found in the 2023/24 Supplementary Estimates documents across Votes Building and Construction; Business, Science and Innovation; and Labour Market.

New measures are identified in the 2022/23 *Actual* column as 'New Measure for 2023/24'. Significant changes to appropriations that affected performance measures are also outlined, including results presented in the 2023/24 *Actual* column as 'Reported elsewhere' and 'Not reported'. Further details are provided in the relevant measures' footnotes.

Our Services and Functions, Outcome and output measures 2023/24

Outcome and output measures and statement of budgeted and actual expenses and capital expenditure incurred.

This section includes information on the performance of services delivered throughout the year that contributed to the achievement of our outcomes. This includes information on some services delivered by Crown entities where they were funded by multi-category appropriations (MCAs), multi-year appropriations (MYAs) and permanent legislative authorities (PLAs).

The performance information replicates wording as set out in the 2022/23 Main Estimates and Supplementary Estimates across Votes Building and Construction; Business, Science and Innovation; and Labour Market.

Reconciliation to Outcomes

Actual 2023 \$000		Page reference	Actual 2024 \$000
Departmental operating expenditure			
93,497	Outcome 1: Prosperous and adaptable people, sectors and regions	Page 64	83,505
611,470	Outcome 2: Skilled people engaged in safe and productive work	Page 78	697,870
303,224	Outcome 3: Competitive markets with informed consumers and businesses	Page 91	320,617
41,193	Outcome 4: Strong and resilient economy and value derived from natural resources	Page 102	45,748
148,308	Outcome 5: Dynamic business environment fostering innovation and international connections	Page 116	133,940
1,197,692	<i>Total Departmental Operating Expenditure per Outcome tables</i>		1,281,680
Other reconciling items			
88	Remeasurements for other operating expenses		858
1,197,780	Total expenditure in Statement of Comprehensive Revenue and Expense	Page 139	1,282,538

The table above is required as per Public Benefit Entity Financial Reporting Standard 48.

Changes to outcome measures

This annual report reflects recent changes to MBIE's outcome measures and indicators through MBIE's *Strategic Intentions 2023-28*. These are aimed at: improving the overall alignment and coherence of the report; measures with closer links to MBIE's contribution; and removing duplication.

Under the new structure, MBIE still retains five outcome areas and 25 formal measures/indicators. Measures or indicators that have been removed or substantially changed, are reflected in the following table.

Outcome area	Measure / Indicator	Rational for adjustment
Outcome 2: Skilled people engaged in safe and productive work	Measure: Increase skill matching of migrants Updated indicator: Proportion of employed principal migrants whose current job matches their skills and qualifications	Indicator language updated to focus on matching of skills and qualifications rather than like-for-like match of jobs.
	Measure: Increase skilled workforce Indicator: Qualification attainment rate: percentage of 25 to 34-year-olds with New Zealand Qualifications Framework (NZQF) level 4 qualifications or above	Indicator removed due to overlap with indicator on skilled occupation rate (also for the same measure), where MBIE's contribution through immigration settings is more significant.
	Measure: Reduce underutilisation	Measure removed due to similarity with headline measure of increasing employment.
	Measure: Reduce unemployment	As above.
	Measure: Reduce proportion of people not in employment, education or training (NEET)	As above. It was also assessed that other public agencies have greater influence and attribution in the NEET area.
Outcome 3: Competitive markets with informed consumers and businesses	Measure: Increase consumer confidence in business.	Removed due to overlap with Commerce Commission which reports separately.
	Updated measure: Improve consumer awareness of access to dispute resolution pathways	Minor change in measure language to focus on dispute resolution 'pathways', rather than just 'services', in light of range of MBIE offerings.
	Measure: Improve the business experience when dealing with MBIE Indicator: Customer Experience Index (MBIE CXI)	Change in measure and indicator to focus on customer experience with MBIE rather than government agencies as a whole.
	Measure: Reduce burden of government regulations on institutions	Measure removed as original World Economic Forum source indicator is no longer available.
Outcome 4: Strong and resilient economy and value derived from natural resources	Updated measure: Reduce greenhouse gas emissions from electricity generation Updated indicator: Greenhouse gas emissions from electricity generation	Change in measure and indicator to align more with MBIE responsibilities in energy markets, rather than total national emissions.
	Measure: Increase sustainability of Aotearoa New Zealand's energy system Updated indicator: Percentage of modern renewables in total final energy consumption	Indicator adjusted to focus on the renewable share of energy consumption, providing a more comprehensive view of the use of renewable energy sources across the system.
	New measure: Increase economic productivity New indicator: GDP per hour worked	New measure to cover national economic productivity.
	Updated measure: Increase the value of exports Updated indicator: Total value of exports	Shift in focus to value of exports rather than the percentage of businesses exporting.
Outcome 5: Dynamic business environment fostering innovation and international connections	Measure: Increase capital intensity	Removed in favour of focus on single headline measure of increasing productive capital investment, but retained for 2023/24 report.
	Measure: Increase early-stage capital investment	As above.
	Measure: Improve the quality of foreign direct investment	As above.
	Measure: Maintain position in the World Bank Ease of Doing Business Survey	Measure removed due to consistency of World Bank survey.

Changes to Performance Measures and Targets Between 2022/23 and 2023/24

MBIE applies the Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48) for service performance reporting, ensuring that performance information is both relevant and meaningful to users.

Changes to performance measures are driven by the evolving nature of MBIE's priorities, funding, and initiatives, and the desire to continuously align measures with the qualitative characteristics of the PBE Conceptual Framework, which includes:

1. relevance
2. faithful representation
3. understandability
4. timeliness
5. comparability
6. verifiability.

New Measures

New measures are identified in the 2022/23 Actual column as 'New Measure for 2023/24'. New measures may be introduced to reflect changes in MBIE's strategic objectives, government priorities, or changes in funding and appropriations. Specifically, new measures are added in response to:

- › **new funding or initiatives:** When the government allocates funding for new programs or initiatives, MBIE introduces measures to track the effectiveness and outcomes of these new activities. This ensures accountability and provides transparency on how public resources are being used.
- › **improved relevance:** Sometimes new measures are developed to better capture the performance of an existing program or service. This may occur when previous measures no longer sufficiently reflect the outcomes or impact of the program, or when a shift in focus is required to meet evolving public or government expectations.

- › **shifts in funding or responsibility:** If the responsibility for a particular program is transferred from another department or government agency, MBIE may add new measures to capture its responsibilities for new activities or services previously managed elsewhere.
- › **alignment with reporting standards:** MBIE is committed to improving the quality of its reporting. New measures are added to ensure that performance information is relevant, understandable, and comparable, aligning with the principles outlined in the PBE FRS 48 standard.

Remove or Discontinue Measures

Conversely, performance measures may be discontinued for several reasons, reflecting changes in MBIE's operations and government priorities. Refer to the *Removed Measures Table* for outline of the measures removed. Reasons for removing measures include:

- › **completed or discontinued programs:** Measures may be removed when a program or initiative has been successfully completed or funding for the program has ceased. In such cases, continuing to report on these measures would not provide relevant performance information.
- › **fund transfers:** In cases where programs are transferred to different departments or agencies, MBIE will discontinue its associated performance measures.
- › **redundancy or duplication:** Over time, some performance measures may become redundant or overlap with other existing measures. Removing these measures helps to streamline reporting and focus on metrics that provide the most meaningful insight.
- › **better measurement options:** In some cases, measures are replaced with more robust or refined indicators that offer better alignment with MBIE's performance goals and the qualitative characteristics of the PBE FRS 48 standard. This ensures that MBIE's reporting continues to meet the needs of stakeholders with more accurate and insightful data.

Other Updates to Measures – Wording Changes and Target Adjustments

MBIE updates measures and targets to reflect changing in priorities within appropriations, ensuring that the measures remain aligned with MBIE’s strategic goals. Refer to the *Other Updates to Measures – Wording Changes and Target Adjustments Table* for outline of the measures removed. Reasons for other updates include:

- › **changes in measures wording:** In some cases, performance measures wording are refined to better reflect the intent of the appropriation.
- › **target adjustments:** In some cases, performance targets are revised to reflect more realistic expectations based on past performance or changes in resource allocation. These updates allow MBIE to provide more meaningful and achievable benchmarks.

Removed Measures Table:

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Insurance Claims Resolution (M37)	–	Percentage of users of the Greater Christchurch Claims Resolution Service (GCCRS) that would recommend GCCRS to others	Changes in measure wording
Isolation and Quarantine Management MCA (M36) (A17)	Delivery of Services	Future design readiness and legacy planning: Development of future readiness and legacy plans as MIQ decommissions	Change in funding
Isolation and Quarantine Management MCA (M36) (A17)	MCA – overarching measure	Ratio of transmissions of COVID-19 to the community from MIQ facilities per 10,000 returnees	Change in funding
Commerce and Consumer Affairs: Consumer Advocacy Council for Small Electricity Consumers (M13) (A17)	–	Establish evidence baseline to inform advocacy	Change in activity
Commerce and Consumer Affairs: Registration and Provision of Statutory Information (M13) (A17)	–	Increase in value delivered to small businesses through business.govt.nz tools and resources (calculated using year to-date visits and satisfaction ratings)	To align with PBE FRS 48 principles of relevancy, and understandability
Economic and Regional Development: Economic and Regional Development Fund, Scheme and Grant Management (M25) (A17)	–	The Events Transition Support Payment Scheme is administered in accordance with the Cabinet criteria and other requirements	Discontinued – no funds for 2023/24
Economic Development: Developing a Circular Economy and Bioeconomy Strategy (M25) (A17)	–	Commission research to provide an understanding of the opportunities and challenges within New Zealand, and the strategic shifts required to enable the circular economy and bioeconomy, by June 2023	Change in activity
Economic Development: Developing a Circular Economy and Bioeconomy Strategy (M25) (A17)	–	Create a first draft of the strategic narrative by October 2023	Change in activity
Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business (M25) (A17)	–	Business customers experience more coordinated and consistent services from government	Change in activity

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Economic Development: Industry Transformation Programme MCA (M25) (A17)	Development, Delivery, and Management of Industry Transformation Plans	Launch the final plans for the Advanced Manufacturing ITP, Digital Technologies ITP, and Tourism ITP Better Work Action Plan, and undertake public consultation on the refreshed Agritech ITP by 30 June 2023	Change in activity
Energy and Resources: Management of the Crown Mineral Estate (M111) (A17)	–	Iwi are consulted with on all applications that are within their rohe	To align with PBE FRS 48 principles of understandability
Energy and Resources: Management of the Crown Mineral Estate (M111) (A17)	–	Percentage of Annual Review Meetings are conducted for no less than 60% of all petroleum permits and licenses	To align with PBE FRS 48 principles of understandability
Energy and Resources: Renewable Energy in Communities and Public and Māori housing MCA (M28) (A17)	MCA – overarching measure	Percentage of project proposals received during the year that meet the scheme assessment and evaluation criteria	To align with PBE FRS 48 principles of relevancy and faithful representation of information
Energy and Resources: Renewable Energy in Communities and Public and Māori housing MCA (M28) (A17)	Operational Support	Number of Public housing tenants recruited for the evaluation	To align with PBE FRS 48 principles of relevancy and faithful representation of information
Energy and Resources: Renewable Energy in Communities and Public and Māori housing MCA (M28) (A17)	Provision of funding for purchase of renewable energy solutions	Number of Māori organisations and communities recruited for the evaluation	To align with PBE FRS 48 principles of relevancy and faithful representation of information
Pike River Re-entry: Disestablishment of Pike River Recovery Agency (M99)	–	Complete all activities relating to the disestablishment of the former Pike River Recovery Agency	Discontinued – no funds for 2023/24
Pike River Re-entry: Disestablishment of Pike River Recovery Agency (M99)	–	Completion of the Pike River Recovery Annual Report and Final Report for the financial year ending with 30 June 2022	Discontinued – no funds for 2023/24
Police: Administration of the Retail Crime Subsidy Scheme (M51) (A17)	–	The Retail Crime Subsidy Scheme is in place and commences by 1 February 2023	Change in activity
Public Service: Property Management within the State Sector (M66) (A17)	–	Annual improvement in mandated agency satisfaction rating of GPG performance	To align with PBE FRS 48 principles of faithful representation and verifiability
Regional Development: Provincial Growth Fund MCA (M101) (A17)	MCA – overarching measure	Percentage of requests completed within either specified or statutory timeframes: Ministerial Correspondence	Change in activity
Regional Development: Provincial Growth Fund MCA (M101) (A17)	MCA – overarching measure	Percentage of requests completed within either specified or statutory timeframes: Ministerial Official Information Act 1982 requests	Change in activity
Regional Development: Provincial Growth Fund MCA (M101) (A17)	MCA – overarching measure	Percentage of requests completed within either specified or statutory timeframes: Parliamentary questions	Change in activity
Regional Development: Provincial Growth Fund MCA (M101) (A17)	Provincial Growth Fund Investment Management – Crown Regional Holdings Limited	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	Change in activity
Regional Development: Provincial Growth Fund MCA (M101) (A17)	Supporting Regional and Sector Initiatives	Percentage of contracts monitored against their milestones and reporting requirements	Change in activity

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Regional Development: Regional Strategic Partnership Fund MCA (M101) (A17)	Supporting regionally significant firms impacted by Cyclone Gabrielle	All regionally significant firms approved for funding by Regional Economic Development Minister's in the 2022/23 financial year are contracted by 30 June 2023	Discontinued – no funds for 2023/24
Research, Science and Innovation: In-year payments loans (M84) (A17)	–	The Research and Development Tax Incentive In-Year Payments Loans programme has been successfully established following a procurement process.	Discontinued – no funds for 2023/24
Sector Analysis and Facilitation MCA (M25) (A17)	MCA – overarching measure	Increased access and use of data	Change in activity
Sector Analysis and Facilitation MCA (M25) (A17)	Sectoral and Regional Data and Analysis – Economic Development	Number of page views and screen views of regional and sector data pages, web-apps and mobile-apps	Change in activity
Sector Analysis and Facilitation MCA (M25) (A17)	Tourism Data and Analysis – Tourism	Deliver on agreed Tourism data improvement programme	Change in activity
Sector Analysis and Facilitation MCA (M25) (A17)	Tourism Data and Analysis – Tourism	Meet Statistics New Zealand's Official Statistics Standards and Protocols for all core Tourism datasets published by the Ministry of Business, Innovation and Employment	Change in activity
Small Business: Business and Wellbeing Support MCA (M62) (A17)	MCA – overarching measure	User star rating enabled on the First Steps website	Change in funding
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	MCA – overarching measure	Percentage of small businesses very satisfied or satisfied using Digital Boost services	Change in funding
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	Small Business: Digital Enablement Programme Design, and Management	Successful procurement, administration and management for delivering the Digital Boost Programme (third-party contracts)	Change in funding
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	Small Business: Digital Enablement Small Business and Provider Funding and Services	The number of business trainees receiving digital business advisory support and/or developing Digital Business Action Plans	Change in funding
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	Small Business: Digital Enablement Small Business and Provider Funding and Services	The number of business trainees signing up to the Digital Boost Skills Training Platform	Change in funding
Tourism Facilities MCA (M69) (A17)	Ngā Haerenga, The New Zealand Cycle Trail Fund	Funding is distributed to Great Rides for cycle trail priority projects, improvements, repairs or extensions, in line with any investment plan	Change in activity
Tourism Facilities MCA (M69) (A17)	Tourism Growth Partnership	Percentage of contracts assessed against their objectives and critical steps in line with contract requirements	Change in funding
Immigration Services MCA (M38) (A17)	Assessment and Processing Services	Percentage of low risk visitor and student visa applications decided within 15 days	To align with PBE FRS 48 principles of faithful representation
Immigration Services MCA (M38) (A17)	Assessment and Processing Services	Quality of residence visa decisions: percentage rated as accurate	To align with PBE FRS 48 principles of faithful representation
Immigration Services MCA (M38) (A17)	Assessment and Processing Services	Quality of temporary visa decisions: percentage rated as accurate	To align with PBE FRS 48 principles of faithful representation

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Immigration Services MCA (M38) (A17)	Services for the Attraction of Migrants	Average monthly percentage of new registrations entered into the NZ Now database whose occupations match those at skill levels 1–3 under the Australian and New Zealand Standard Classification of Occupations	To align with PBE FRS 48 principles of faithful representation
Immigration Services MCA (M38) (A17)	Settlement and Integration of Refugees and Other Migrants	The annual quota of United Nations High Commissioner for Refugees (UNHCR) mandated refugees and their immediate families who travelled to New Zealand is met	To align with PBE FRS 48 principles of faithful representation
Workplace Relations and Safety – Employment Relations Services (M43) (A17)	–	Offer of Dispute Resolution Services within five working days of receipt of notice of industrial action	Change in funding

Other Updates to Measures – Wording Changes and Target Adjustments Table:

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Commerce and Consumer Affairs: Trading Standards (M13) (A17)	–	The weighted internal audit and assurance rating received on the quality and timeliness of the administration of regulatory compliance, service and operational policy delivery relating to measurements used for trade and fuel quality monitoring is rated 3 or better	Change wording from: The weighted internal audit and assurance rating received on the quality and timeliness of the administration of regulatory compliance, service and operational policy delivery relating to consumer product safety, measurements used for trade and fuel quality monitoring is rated 3 or better
Economic Development: Operational Support of the Regional Business Partner Network (M25) (A17)	–	Number of businesses accessing support to improve individual firms and wider business performance	Measure standard updated from 5,000 to 1,450
Employment – Regional Skills Leadership Groups (M95) (A17)	–	Each Regional Skills Leadership Group produces an annual workforce development plan	Change wording from: Each Regional Skills Leadership Group produces an annual workforce development plan
Energy and Resources: Management of the Crown Mineral Estate (M111) (A17)	–	Percentage of mineral applications that are granted or declined within 120 working days	Change wording from: Percentage of mineral applications are granted or declined within 120 working days
Energy and Resources: Supporting Decommissioning of Oil Fields (M111) (A17)	–	Number of milestones being assessed and completed by 30 June 2023 and by 30 June 2024	Measure standard updated from 4 to 3 milestones to reflect a more realistic and relevant rate of activity
Immigration Services MCA (M38) (A17)	Assessment and Processing Services	Percentage of residence visa decisions rated as accurate	Change wording from: Quality of residence visa decisions: percentage rated as accurate budget standard updated from 90% to 85% to reflect a review of risks settings and a more appropriate target

Appropriation	Category / standalone appropriation (–)	Performance measures (PfMs)	Comments
Immigration Services MCA (M38) (A17)	Assessment and Processing Services	Percentage of temporary visa decisions rated as accurate	Change wording from: Quality of temporary visa decisions: percentage rated as accurate budget standard updated from 90% to 85% to reflect a review of risks settings and a more appropriate target
Immigration Services MCA (M38) (A17)	Integrity and Security of the New Zealand Immigration System	Number of people, liable for deportation, who were deported or departed voluntarily after compliance activity	Measure standard updated from a range of 1,500–2,000 to 1,500 in line with the principle of understandability
Regional Development: Provincial Growth Fund MCA (M101) (A17)	MCA – overarching measure	Number of reports provided to Ministers per year on the progression of the Fund	Change wording from: Number of reports to the Cabinet Economic Development Committee on progressions with the fund per year
Research, Science and Innovation: National Research Information System (M84) (A17)	–	Reporting tools are developed and additional funding agencies are on-boarded by December 2024	Change wording from: Reporting tools are developed, and additional funding agencies are on boarded by April 2024
Residential Tenancy and Unit Title Services (M37) (A17)	–	Number of interventions undertaken dealing with potential breaches of the Residential Tenancies Act 1986	Change wording from: Number of interventions undertaken dealing with the breaches of the Residential Tenancies Act 1986
Small Business: Business and Wellbeing Support MCA (M62) (A17)	Wellbeing Support for businesses	Number of businesses who accessed 'First Steps' website	Measure standard updated from 320,000 to 113,500 to reflect that funding for this appropriation was transferred to the Small Business Enabling Services multi-category appropriation from 1 October 2023
Small Business: Business and Wellbeing Support MCA (M62) (A17)	Wellbeing Support for businesses	Number of times mental health and well-being resources have been downloaded	Measure standard updated from 240,000 to 104,520 to reflect that funding for this appropriation was transferred to the Small Business Enabling Services multi-category appropriation from 1 October 2023
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	Small Business: Digital Enablement Programme Design, and Management	Successful administration of third-party contracts, including ensuring regular reporting, delivery of milestones and contractual obligations of the Digital Boost Programme are met	Change wording from: Successful procurement, administration and management for delivering the Digital Boost Programme (third-party contracts)
Small Business: Digital Enablement of Small Business MCA (M62) (A17)	Small Business: Digital Enablement Small Business and Provider Funding and Services	The number of business trainees signing up to the Digital Boost programme, including the Skills Training Platform and/or receiving digital business action plans	Measure standard updated from 5,000 to 2,816 to reflect that funding for this appropriation was transferred to the Small Business Enabling Services multi-category appropriation from 1 October 2023

Outcome 1: Prosperous and Adaptable People, Sectors and Regions

Overview (full view on page 16)

Expenditure	Our Outcomes*	Performance Measures
Departmental \$84 million	+ Household income	Achieved 56/69
Non-Departmental \$579 million	- Labour productivity	Milestones 25/33
	- Income inequality	Quality 1/1
	- Growth of new businesses	Satisfaction 12/13
		Timeliness 8/9
		Volume 10/13

*Key: + Positive shift – Negative shift = Unchanged

Outcome Measures

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
1.01	Increase household incomes	Total real household median weekly income from all sources, by region	Stats NZ (SNZ) Labour Market Statistics (income) & SNZ Consumer Price Index	\$	Positive
<p>Total real household median income (from all sources, based on June 2012 prices) was \$1,759 per week in the year to June 2024. This is an increase of \$44 compared to 2023 (2.5% growth). Over the past five years real median income has grown on average 1.6% per year.</p> <p>Regions with the highest annual growth rates in total real household median income in the year to June 2024 (based on June 2012 prices) were Northland (22.0%) Gisborne/Hawkes Bay (8.9%) and Bay of Plenty (8.4%). Taranaki (-3.5%), Waikato (-1.4%), Manawatu-Wanganui (-1.3%), and Otago (-1.2%) had negative growth rates in the year to June 2024.</p>					
1.02	Increase labour productivity	Labour productivity growth	SNZ Productivity Statistics	%	Negative
<p>Annual labour productivity growth in the measured sector (covering around 80% of the total industry contribution to national GDP) was provisionally -0.9% in the year to March 2023, following a year of 1% growth in the year to March 2022 (revised figure)*. The five-year (2018-2023) compound annual growth rate was 0.2%.</p> <p>*This figure has been revised down from 2.2%. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.</p>					
1.03	Decrease income inequality	Percentile ratio (P80:20) of household income after housing costs for all households	SNZ Household income and housing-cost statistics	percentile ratio	Negative
<p>In the year ended June 2023, for the total person population, the equivalised household disposable income of the top 20% was at least 3.0 times greater than that of the lowest 20% (after adjusting for housing costs). This result is up slightly from the rate of 2.9 recorded for June 2022.</p>					
1.04	Growth of new businesses	Average five-year growth in employment in new businesses	SNZ Integrated Data Infrastructure (IDI)	%	Negative
<p>The provisional average five-year employment growth rate for the period 2017-2022 was 25.6%, a drop from the growth rate of 27.2% for the period 2016-2021.</p> <p>*This figure was revised from the previously published figure of 26.9%. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.</p>					



Achieved 56 out of 69 output performance targets

Output Measures

Vote Building and Construction		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Isolation and Quarantine Management MCA This appropriation is intended to achieve the improvement in debt recoverability of Managed Isolation Quarantine debt as a result of stays in isolation and quarantine facilities.	Debt recovery: Percentage of debt recovered against invoices raised	90%	91%	89.8%
<i>Residual Invoice and Debt-related Costs</i> This category is intended to achieve the improvement in debt recoverability of Managed Isolation and Quarantine debt.	Debt recovery: Percentage of debt recovered against invoices raised	90%	91%	89.8%
Temporary Accommodation Services MCA This appropriation is intended to achieve coordination and provision of temporary accommodation to people displaced by a civil emergency.	Percentage of users who were satisfied with overall effectiveness of the service (from Survey)	75%	78% ¹	88%
<i>Readiness, Response and Recovery</i> This category is intended to achieve fulfilment of MBIE's fundamental temporary accommodation responsibilities and roles.	Percentage of users of the service contacted within 5 working days of registration	75%	80%	87%
<i>Temporary Accommodation Housing Initiatives – Operations</i> This category is intended to provide a broad range of flexible temporary accommodation options.	Percentage of users who were satisfied with effectiveness of the service to resolve temporary accommodation needs	75%	80% ¹	88%
<i>Transfer of Temporary Accommodation Service Assets</i> This category is intended to measure ongoing social benefit from asset transfers conducted by TAS when assets are no longer required for the provision of temporary accommodation under the Civil Defence Emergency Management legislation.	Percentage of asset transfers which have an ongoing social benefit ² to the community	75%	No divestment decisions formally agreed	New Measure for 2023/24
<i>Temporary Accommodation Housing Initiatives – Capital</i> This category is intended to increase housing supply levels in emergency affected areas.	Percentage of users who were satisfied with effectiveness of the service to resolve temporary accommodation needs	75%	80% ¹	88%

- SurveyMonkey was used to collect results. Surveys are sent to all households that have been placed into temporary accommodation services (TAS). The sample size was 78. Sample sizes can vary depending on the number of households using TAS. TAS surveys all customers, therefore a specific sample size is not required because customer numbers are unique to each event and TAS response. The survey is not compulsory, and the response rate is low. In 2022/23, results were calculated from a limited number of responses, the sample size was 12.
- Social benefit is measured by establishing in advance which categories of transfers the Ministry determines to have ongoing social benefits, and by having ongoing benefits to the community in their 'second life' after being used for temporary accommodation

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Economic Development: Operational Support of the Regional Business Partner Network This appropriation is intended to achieve increased business and management capability that improves individual firm and wider business performance.	Number of businesses accessing support to improve individual firms and wider business performance at least	1,450	Reported elsewhere ³	5,111
Economic Development: Tupu Tai Internship Programme This appropriation is intended to support an increase in Pacific peoples representation in the public sector's policy workforce through creating an early-in-career skills pathway that builds the confidence, skills and capability of Pacific tertiary students.	Number of Tupu Tai agency partnerships	15	21 ⁴	New Measure for 2023/24
	Number of Tupu Tai interns who successfully complete a summer internship	35	455	New Measure for 2023/24
	Annual percentage increase in Pacific peoples representation in the public sector's policy workforce (25-34 age group)	0.5%	0.8 ⁵	New Measure for 2023/24
Regional Development: Operational support This appropriation is intended to achieve the effective management, administration and reporting on the funds administered by Kānoa – Regional Economic Development & Investment Unit.	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%
	The number of monthly reports to Crown Infrastructure Partners on Regional Economic Development & Investment Unit managed infrastructure projects	12	12	12
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial Correspondence	95%	100%	New Measure for 2023/24
	Ministerial <i>Official Information Act 1982</i> requests	95%	100%	New Measure for 2023/24
	Parliamentary questions	95%	100%	New Measure for 2023/24
Tourism: Tourism Fund Management This appropriation is intended to achieve efficient and effective management of the investments under the Tourism portfolio.	All funds are managed in accordance with processes agreed by Cabinet	Achieved	Achieved	Achieved
	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund This appropriation is intended to achieve support for the forestry and wood processing industry to transform for the future by catalysing and accelerating increased investment from the private sector into new long-lived wood product processing, resulting in greater capacity, improved business viability of wood processors, and supporting the transition to a low-carbon future	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes	Average score of 4 out of 5 or better	4.5	New Measure for 2023/24 ³

3 From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA. Refer to the 'Number of businesses accessing support to improve individual firms and wider business performance at least' measure in the 'Services to Support the Growth and Development of New Zealand Businesses' category in that appropriation, for the full year performance measure result.

4 This measure is demand driven. This year, 21 agencies expressed interest and were accepted as partner agencies. Due to the increased number of partner agencies, more interns were able to secure placements in the programme.

5 The year-end result has exceeded the target, which was set as a minimum target.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Digital Economy and Communications: Digital Technologies Industry Transformation Plan This appropriation is intended to achieve a stronger growth of the digital technologies sector.	90% of partners fulfil the objectives set out in their funding agreements	Achieved	Achieved	New Measure for 2023/24
<i>Delivery and Management of Digital Technologies Industry Transformation Plan</i> This category is intended to achieve stronger growth for the digital technologies sector.	90% of partners fulfil the objectives set out in their funding agreements	Achieved	Achieved	New Measure for 2023/24
<i>Game Development Sector Rebate Administration</i> This category is intended to achieve more sustainable growth and job creation for mid to large-sized game development studios to strengthen the New Zealand economy.	Minimum deliverables specified in Funding Agreement achieved by rebate administrator	Achieved	Achieved	New Measure for 2023/24
<i>Game Development Sector Rebate Scheme</i> This category is intended to achieve more sustainable growth and job creation for mid to large-sized game development studios to strengthen the New Zealand economy.	Number of eligible businesses applying for the rebate during the year	10 firms	32 ⁶	New Measure for 2023/24
<i>Delivery and Management of Digital Technologies Industry Transformation Plan by Partners</i> This category is intended to achieve stronger growth for the digital technologies sector	90% of partners fulfil the objectives set out in their funding agreements	Achieved	Achieved	New Measure for 2023/24
<i>Game Development Sector Rebate Capital</i> This category is intended to achieve more sustainable growth and job creation for mid to large-sized game development studios to strengthen the New Zealand economy.	Minimum deliverables specified in Funding Agreement achieved by rebate administrator	Achieved	Achieved	New Measure for 2023/24
Economic Development: Industry Transformation Programme MCA The appropriation is intended to achieve the development and delivery of Industry Transformation Plans and related actions, in alignment to the Government's Economic Plan and Industry Strategy.	Progress the implementation of workstreams and initiatives from agreed industry plans	Achieved	Not reported ⁷	Achieved
<i>Development, Delivery, and Management of Industry Transformation Plans</i> This category is intended to achieve the support of development, delivery, and management of Industry Transformation Plans.	Develop a programme-level monitoring and evaluation performance framework for the Industry Transformation Plan programme by 30 June 2024	Achieved	Achieved ⁸	In progress ⁵

⁶ The year-end result has exceeded the target. This was driven by higher than anticipated demand.

⁷ These performance results are not reported. Due to changes in government priorities, the Industry Transformation Programme has been discontinued. However, the Ministry was on track to meet its target measures. During the 12 months that this appropriation was operational, work delivered included initiatives across the advanced manufacturing, agritech, construction and tourism ITPs as well as the ITP programme by the Ministry and third-party delivery partners including Crown entities, industry bodies and firms.

⁸ Work on the Monitoring and Evaluation Performance Framework for ITPs was completed in October 2023.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Economic Development: Agritech ITP – Management of the Horticulture Technology Catalyst</i></p> <p>This category is intended to achieve the provision of services to support the growth of a strong horticulture technology ecosystem to improve domestic production, diversification, climate resilience and international collaboration between industry, investors, researchers, innovators, end users and government.</p>	Progress on agreed work programme milestones and financial performance and is reported within agreed timeframes	Achieved	Not reported ⁹	New Measure for 2023/24
<p><i>Development, Delivery, and Management of Industry Transformation Plans by Partners</i></p> <p>This category is intended to achieve fund partners' delivery of agreed Industry Transformation Plan actions, and support industry and Māori engagement in the development and delivery of Industry Transformation Plans</p>	Progress the implementation of workstreams and initiatives from agreed industry plans	Achieved	Not reported ⁹	Achieved
	Progress development of a decision-making framework for third-parties to implement Construction Sector Accord initiatives	Achieved	Not reported ⁹	Achieved
	Progress third-party implementation of Construction Sector Accord initiatives, including through industry and agency partners by 30 June 2024	Achieved	Not reported ⁹	In progress
<p><i>Economic Development: Agritech ITP – Horticulture Technology Catalyst</i></p> <p>This category is intended to achieve the delivery of horticulture technology catalyst activity to create a high growth, innovative industry cluster by increasing the sectors and international focus to optimise market opportunity, growing industry talent to provision and meet industry needs, and increase collaboration and connections across the horticulture sector to strengthen its critical mass and value.</p>	Percentage of agreed key performance indicators that have been met on time	100%	Not reported ⁹	New Measure for 2023/24
<p>Economic Development: Supporting Regional Just Transitions</p> <p>This appropriation is intended to achieve the support for regions to plan, manage and implement just transitions to manage the impacts and opportunities of change in ways that are fair and equitable, ultimately creating a path to a more resilient future.</p>	Support local just transition planning capacity and capability and support initiatives identified by the community	Achieved	Achieved	New Measure for 2023/24
<p><i>Economic Development: Management of Just Transition Programme</i></p> <p>This category is intended to achieve the support of regional just transition processes and Ministerial decision making through policy advice.</p>	Regular reporting is provided to Ministers to keep them updated on just transition processes and includes information on support mechanisms for traditionally disadvantaged groups to be part of just transitions processes	Achieved	Achieved	New Measure for 2023/24
	Ministers are sufficiently informed to direct the project	Achieved	Achieved	New Measure for 2023/24

⁹ These performance results are not reported. Due to changes in government priorities, the Industry Transformation Programme has been discontinued. However, the Ministry was on track to meet its target measures. During the 12 months that this appropriation was operational, work delivered included initiatives across the advanced manufacturing, agritech, construction and tourism ITPs as well as the ITP programme by the Ministry and third-party delivery partners including Crown entities, industry bodies and firms.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Economic Development: Support of Regions' Just Transitions This category is intended to achieve the support for regions to develop transition plans to manage the impacts and opportunities of change in ways that are fair and equitable, develops regional leadership and supports community engagement, ultimately creating a path to a more resilient future.	Support Southland to complete the Southland just transition planning process and progress its implementation	Achieved	Achieved	New Measure for 2023/24
	Support Taranaki to complete the Taranaki just transition planning process and progress its implementation	Achieved	Achieved	New Measure for 2023/24
Policy Advice and Related Services to Ministers MCA (Business, Science and Innovation) This appropriation is intended to achieve effective policy advice and support to Ministers.	Average satisfaction of Ministers annually	Average score of 4 out of 5 or better	4.2	4.4
Policy Advice and Related Services to Ministers – Tourism This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	75%	74%
	The satisfaction of the Minister of Tourism with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.0	4.3
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	98% ¹⁰	99%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	75% ¹¹	100%
	Parliamentary questions	95% or above	98% ¹⁰	97%
Regional Development: Infrastructure Reference Group Fund MCA This appropriation is intended to achieve the support of regional economic development by providing operational and capital funding for infrastructure initiatives that lift regional productivity potential.	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%
Grants to support Infrastructure Projects This category is intended to achieve the support of regional economic development by providing grant funding for infrastructure initiatives that lift regional productivity potential.	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%
	The number of monthly reports to Crown Infrastructure Partners on Regional Economic Development & Investment Unit managed infrastructure projects	12	12	12

¹⁰ Following the 2023 General Election and subsequent portfolio changes, the former Tourism portfolio changed to the Tourism and Hospitality portfolio. This result includes the former and current portfolios.

¹¹ Three of the four Ministerial correspondence requests were sent on time. The target was not met due to delays in consultation. The Ministry is working on ongoing enhancements to its systems and processes, which includes additional training and improved reporting mechanisms to address remaining gaps and meet the target for 2024/25. Following the 2023 General Election and subsequent portfolio changes, the former Tourism portfolio changed to the Tourism and Hospitality portfolio. This result includes the former and current portfolios.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Investment through Crown-owned companies</i></p> <p>This category is intended to achieve the holding of the Crown's infrastructure-related investments by Crown Regional Holdings Limited. The purpose of the investments is to reduce the economic impact of the COVID-19 on the construction industry.</p>	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	Average score of 4 out of 5 or better	4.5	4.5
<p>Regional Development: Provincial Growth Fund MCA</p> <p>This appropriation is intended to achieve a lift in the productivity potential of the regions through the delivery of regional, sectoral and infrastructure initiatives.</p>	Number of reports provided to Ministers per year on the progression of the Fund	4	4	4
	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%
<p><i>Management of Investments in Crown-owned companies</i></p> <p>This category is intended to achieve the effective delivery and management of the funds administered by Crown Regional Holdings Limited.</p>	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	Average score of 4 out of 5 or better	4.5	4.5
<p><i>Grants to support regional and sector initiatives</i></p> <p>This category is intended to achieve the support of regional economic development by providing grant funding to regional, sectoral and infrastructure initiatives that lift regional productivity potential.</p>	Number of reports provided to Ministers per year on the progression of the Fund	4	4	New Measure for 2023/24
	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	New Measure for 2023/24
<p><i>Investment through Crown-owned companies</i></p> <p>This category is intended to achieve the holding of the Provincial Growth Fund investments by Crown Regional Holdings Limited. The purpose of the investments is to improve regional economic and business development, accelerate Māori economic aspirations and support sector transformations.</p>	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	Average score of 4 out of 5 or better	4.5 ¹²	New Measure for 2023/24
<p>Regional Development: Regional Strategic Partnership Fund MCA</p> <p>This appropriation is intended to achieve improved regional economic and business development, accelerate Māori economic aspirations and support sector transformations.</p>	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%
<p><i>Grants to Support Regional and Sector Initiatives</i></p> <p>This category is intended to achieve strong regional strategic partnerships within each region, progress regional economic development action plans and identify regional priorities. The category will hold grant funding for regions to invest in identified regional priorities.</p>	Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%

¹² Performance information for this category is missing in the 2023/24 Estimates documents and it should be as presented. This category has no additional funds allocated for 2024/25, so the measure will not be included in the 2024/25 Estimates documents.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Investment through Crown-owned companies</i></p> <p>This category is intended to achieve the holding of the Crown's regional strategic partnership fund investments by Crown Regional Holdings Limited. The purpose of the investments is to improve regional economic and business development, accelerate Māori economic aspirations and support sector transformations.</p>	The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	Average score of 4 out of 5 or better	4.5	4.5
<p>Research, Science and Innovation: Wellington Science City</p> <p>This appropriation is intended to produce a Wellington Science City Programme Business Case by 30 June 2024.</p>	Programme Business Case produced	Business Case approved by 30 June 2024	Not reported ¹³	New Measure for 2023/24
<p><i>Depreciation, Maintenance and Site Support</i></p> <p>This category is intended to provide operating expenditure to enable the construction and maintenance of three multi-institution research, science and innovation collaboration centres in the Wellington region.</p>	% forecast operating funding spent in line with expected programme cost	90%	Not reported ¹³	New Measure for 2023/24
<p><i>Research and Innovation Support</i></p> <p>This category is intended to fund the creation and maintenance of a Research Support Hub to facilitate collaboration across the three centres. This includes the establishment and maintenance of a Rōpū Māori to improve outcomes for Māori within the Wellington Science City centres and beyond</p>	Proposal for Wellington Research Support Hub produced	by 30 June 2024	Not reported ¹³	New Measure for 2023/24
<p>Sector Analysis and Facilitation MCA</p> <p>This appropriation is intended to achieve the generation of more trust and confidence in markets, allow business to assess and develop markets with ease, and increase international trade and investment.</p>	Statistics and insights are released on published dates and agreed timeframes	95%	95%	New Measure for 2023/24
<p><i>Sectoral and Regional Data and Analysis – Economic Development</i></p> <p>This category is intended to achieve the generation of more trust and confidence in markets, allow business to assess and develop markets with ease, and increase international trade and investment.</p>	Number of page views on externally published data tools and platforms	250,000	341,868 ¹⁴	New Measure for 2023/24
<p><i>Tourism Data and Analysis – Tourism</i></p> <p>This category is intended to achieve knowledge and understanding that enables businesses to assess and develop markets with ease and increases international trade and investment.</p>	Influence the continuity and improvement of Tier one statistics for Statistics New Zealand	Achieved	Achieved ¹⁵	New Measure for 2023/24

¹³ These performance results are not reported. Due to changes in government priorities, the Wellington Science City programme has been discontinued. However, the Ministry was on track to meet its target measures. During the five months that this appropriation was operational, the main tasks completed included site resilience assessments, a draft high-level operating model for the hubs, a draft strategic and economic business case, and a draft proposal for the research support hub.

¹⁴ The year-end result has exceeded the target by over 70%. This was driven by a higher than anticipated number of visits to the tourism website and an increase in demand for regional economic activity data.

¹⁵ A 2024 Memorandum of Agreement has been signed between Stats NZ and the Ministry. Terms under specific schedules related to International Travel and Migration, the Tourism Satellite Account and International Visitor Survey were met and satisfied by both agencies. Achievement of the following performance standards is used as evidence that the Ministry is influencing and improving Tier One statistics for Stats NZ: (1) Data is provided to Stats NZ on time at an agreed date each quarter (achieved), (2) Achievement of 8,900 survey responses per calendar year (achieved).

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Tourism Facilities MCA This appropriation is intended to achieve reliable, sustainable and high quality tourism facilities and infrastructure that attract tourists to a region or New Zealand.	Tourism facilities and infrastructure is improved or maintained	Achieved	Achieved	Achieved
Ngā Haerenga, The New Zealand Cycle Trail Fund This category is intended to achieve the success and long term sustainability of the Ngā Haerenga, the New Zealand Cycle Trail Network.	Funding agreements are monitored and assessed in line with contractual requirements	100%	100%	100%
	Funding is distributed to Great Rides for cycle trail maintenance, improvements, repairs or extensions, in line with any investment plan. Funding is provided to New Zealand Cycle Trail Incorporated for quality assurance, marketing and promotion of the Great Rides.	Achieved	Achieved	New Measure for 2023/24
Tourism Facilities Development Grants This category is intended to achieve an improvement in the quality and reliability of tourism facilities and services	Tourism facilities and infrastructure is improved or maintained	Achieved	Achieved	Achieved

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Employment – Regional Skills Leadership Groups This appropriation is intended to achieve more coordinated skills and workforce planning in regional labour markets to improve regional skill levels, local workforce utilisation and overall labour market outcomes.	Each region publishes at least one report within the year that sets out on-the-ground labour market information that is not currently collected systematically by central government	100% of regions publish a report	93% ¹⁶	100% of regions publish a report
	Each Regional Skills Leadership Group refreshes/reaffirms their Regional Workforce Plan annually	100% of regions refresh or reaffirm their plan	Not reported ¹⁷	100% of regions publish a plan

¹⁶ Of the 15 Regional Skills Leadership Groups (RSLGs), 14 produced at least one Local Insights Report in the period. Due to changes in government priorities, RSLGs were discontinued in January 2024 and the Ministry does not expect further Local Insights Reports.

¹⁷ This performance result is not reported. Due to changes in government priorities, the RSLGs were discontinued in March 2024. However, the Ministry was on track to meet its target measures. During the nine months that this appropriation was operational, the main tasks completed included the production of the Regional Workforce Plans by the RSLGs. With the discontinuation of their work, these workforce plans for 2024/25 did not need to be reaffirmed.

How Much We Spent

Actual 2022/23 \$000	Our expenditure summary	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
93,497	Departmental expenses	83,505	103,710	76,767
576,918	Non-departmental expenses	439,018	671,504	567,266
	– Departmental capital	–	–	–
190,116	Non-departmental capital	140,062	242,330	37,520
860,531	Total expenditure for outcome	662,585	1,017,544	681,553

Our Services and Functions, Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Departmental outputs					
3,276	Economic and Regional Development: Operational Support of the Regional Business Partner Network		568	603	3,296
289	Economic and Regional Development: Economic and Regional Development Fund, Scheme and Grant Management		–	–	–
26,623	Economic and Regional Development: Operational Support		25,995	27,645	18,202
	– Economic Development: Tupu Tai Internship Programme		486	953	–
809	Tourism: Tourism Fund Management		1,793	2,361	2,792
6,359	Border Support Services – MYA	1	15,306	15,351	3,000
11,115	Employment – Regional Skills Leadership Groups		8,239	11,465	11,465
48,471	Total departmental output expenditure		52,387	58,378	38,755
Multi-category expenses and capital expenditure					
23,558	Isolation and Quarantine Management MCA		209	450	–
	<i>Departmental output expenses</i>				
18,157	› Operational Support		–	–	–
	<i>Non-departmental output expenses</i>				
5,400	› Delivery of Services		–	–	–
	<i>Non-departmental other expenses</i>				
1	› Managed Isolation and Quarantine Loans – Impairment of Debt	2	–	30	–
	– › Residual Invoice and Debt-related Costs		209	420	–
65,349	Temporary Accommodation Services MCA		72,274	123,309	106,319
	<i>Departmental output expenses</i>				
9,426	› Readiness, Response and Recovery		14,503	16,826	13,636
	<i>Non-departmental output expenses</i>				
47,898	› Temporary Accommodation Housing Initiatives – Operations		48,537	87,925	74,125
	<i>Non-departmental other expenses</i>				
874	› Temporary Accommodation Housing Initiatives – Depreciation	3	2,256	1,058	1,058
	– › Transfer of Temporary Accommodation Service Assets		6,916	6,880	–
	<i>Non-departmental capital expenditure</i>				
7,151	› Temporary Accommodation Housing Initiatives – Capital		62	10,620	17,500

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
8,167	Policy Advice and Related Services to Ministers MCA		4,577	11,533	5,806
	<i>Departmental output expenses</i>				
8,167	› Policy Advice and Related Services to Ministers – Tourism		4,577	11,533	5,806
–	Digital Economy and Communications: Digital Technologies Industry Transformation Plan MCA	3	32,893	52,588	–
	<i>Departmental Output Expenses</i>				
–	› Delivery and Management of Digital Technologies Industry Transformation Plan		124	546	–
	<i>Non-Departmental Output Expenses</i>				
–	› Game Development Sector Rebate Administration		1,655	1,155	–
–	› Game Development Sector Rebate Scheme		22,264	38,737	–
	<i>Non-Departmental Other Expenses</i>				
–	› Centre of Digital Excellence (CODE) Regional Hubs	3	2,250	2,250	–
–	› Delivery and Management of Digital Technologies Industry Transformation Plan by Partners		6,600	9,400	–
	<i>Non-Departmental Capital Expenditure</i>				
–	› Game Development Sector Rebate Capital		–	500	–
7,793	Economic Development: Industry Transformation Programme MCA		14,354	24,881	55,241
	<i>Departmental Output Expenses</i>				
3,202	› Development, Delivery, and Management of Industry Transformation Plans		3,788	5,004	10,170
–	› Economic Development: Agritech ITP – Management of the Horticulture Technology Catalyst		487	612	1,751
	<i>Non-Departmental Output Expenses</i>				
4,591	› Development, Delivery, and Management of Industry Transformation Plans by Partners		10,079	16,265	29,174
–	› Economic Development: Agritech ITP – Horticulture Technology Catalyst		–	3,000	4,161
	<i>Non-Departmental Other Expenses</i>				
–	› Delivery of Industry Transformation Plan Actions with Partners	3	–	–	9,985
70,518	Economic and Regional Development: Infrastructure Reference Group Fund MCA		86,850	108,851	98,903
	<i>Non-Departmental Other Expenses</i>				
48,505	› Grants to support Infrastructure Projects		86,850	108,841	98,893
	<i>Non-Departmental Capital Expenditure</i>				
22,013	› Investment through Crown-owned companies		–	10	10
18,452	Economic and Regional Development: Regional Investment Opportunities MCA		–	–	–
	<i>Non-Departmental Capital Expenditure</i>				
18,452	› Investment through Crown-owned Companies		–	–	–
132,059	Economic and Regional Development: Provincial Growth Fund MCA		121,894	148,013	53,818
	<i>Non-departmental output expenses</i>				
1,909	› Management of Investments in Crown-owned companies		3,818	3,818	3,818
1,909	› Provincial Growth Fund Investment Management – Crown Regional Holdings Limited		–	–	–

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
	<i>Non-departmental other expenses</i>				
41,738	› Grants to support regional and sector initiatives		61,876	87,995	50,000
59,184	› Supporting Regional and Sector Initiatives		–	–	–
	<i>Non-departmental capital expenditure</i>				
27,319	› Investment through Crown-owned companies		56,200	56,200	–
62,961	Economic and Regional Development: Regional Strategic Partnership Fund MCA		52,401	73,010	15,000
	<i>Non-Departmental Other Expenses</i>				
780	› Grants to support regional and sector initiatives		8,601	23,010	14,990
	<i>Non-departmental capital expenditure</i>				
42,181	› Investment through Crown-owned companies		43,800	50,000	10
20,000	› Supporting regionally significant firms impacted by Cyclone Gabrielle		–	–	–
53,000	Economic and Regional Development: Strategic Tourism Assets Protection Programme MCA		–	–	–
	<i>Non-Departmental Capital Expenditure</i>				
53,000	› Investments through Crown-owned Companies		–	–	–
–	Economic Development: Supporting Regional Just Transitions MCA		4,596	6,909	–
	<i>Departmental Output Expenses</i>				
–	› Economic Development: Management of Just Transition Programme		1,643	3,959	–
	<i>Non-Departmental Output Expenses</i>				
–	› Economic Development: Support of Regions' Just Transitions		2,953	2,950	–
–	Research, Science and Innovation: Wellington Science City MCA		943	1,100	–
	<i>Non-Departmental Output Expenses</i>				
–	› Depreciation, Maintenance and Site Support		793	950	–
–	› Research and Innovation Support		150	150	–
6,074	Sector Analysis and Facilitation MCA		5,996	6,852	6,649
	<i>Departmental output expenses</i>				
2,912	› Sectoral and regional data and analysis – Economic Development		2,006	3,473	3,473
3,162	› Tourism Data and Analysis – Tourism		3,990	3,379	3,176
9,759	Tourism Facilities MCA		10,534	26,091	13,000
	<i>Non-departmental other expenses</i>				
5,665	› Ngā Haerenga, The New Zealand Cycle Trail Fund		6,716	21,091	8,000
4,094	› Tourism Facilities Development Grants		3,818	5,000	5,000
457,690	Total multi-category expenses and capital expenditure		407,521	583,587	354,736
506,161	Total expenditure		459,908	641,965	393,491

Our Services, Non-Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental output expenses					
261	Tourism: COVID-19 Tourism Response	8	236	339	18,000
–	Economic Development: Game Development Sector Rebate	9	–	–	38,737
5,500	Economic Development: Industry Transformation Plans	5	–	–	–
2,352	Economic Development: Pacific Business Trust Procurement Support Service	9	1,250	1,250	1,250
3,234	Economic Development: Supporting Just Transitions	9	340	360	2,500
1,740	Energy and Resources: Assisting Households in Energy Hardship	3	1,358	3,796	2,950
110,522	Tourism: Marketing New Zealand as a Visitor Destination	6	111,450	111,450	111,950
14,200	Tourism: Regional Events Fund	8	9,324	9,405	9,405
37,357	Transitional provision of mail services by New Zealand Post (2020-2024) – MYA	7	–	–	–
175,166	Total non-departmental output expenses		123,958	126,600	184,792
Non-departmental other expenses					
–	Auckland Community Safety Initiatives	10	75	100	–
1,000	Communications: Centre of Digital Excellence (CODE) Regional Hubs	3	–	–	2,250
64,946	Cyclone Gabrielle – Business support for the impacts of Cyclone Gabrielle and January 2023 weather events		–	–	–
–	Cyclone – Regional support for the impacts of Cyclone Gabrielle and January 2023 weather events	11	4,965	10,000	–
3,749	Economic and Regional Development: COVID-19 Events Transition Support Payment		–	–	–
–	Economic and Regional Development: Fair Value Write Down on capital investments	2	–	5,000	–
67,166	Economic and Regional Development: Supporting Infrastructure Projects (2020-2025) – MYA	5	–	–	–
916	Economic Development: Depreciation on Auckland's Queens Wharf	2	1,795	985	985
1,003	Economic Development: Future-proofing New Zealand's Manufacturing Sector by Driving Industry 4.0 Uptake and Skills Development	12	1,050	1,050	1,050
6,226	Economic and Regional Development: Major Events Development Fund 2022-2027 – MYA	9	14,825	21,790	13,330
1,923	Impairment of Debt and Debt Write Offs	3	724	3,075	3,225
40	Māori Development: Māori Innovation Fund	3	861	2,850	1,000
200	Extreme Weather Events – Auckland and Coromandel Advisory Groups	11	–	300	300
4,396	Extreme Weather Events – Emergency Flood Support for the Auckland Region		–	–	–
1,522	Regional Development: Payments and Expenses in Respect of Guarantees and Indemnities for North Island Weather Events response PLA		–	–	–
–	Sector Strategies and Facilitation	13	387	1,073	–

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
16,660	Tourism Infrastructure Fund	8	11,313	27,444	25,887
-	- Tourism: GST Obligation for Tourism New Zealand	6	-	13,883	-
2,680	Tourism: Recovery from COVID-19 (2021-2023) – MYA	4	-	-	-
6,195	Tourism: Tourism Strategic Infrastructure and System Capability	8	1,868	35,163	35,243
582	Economic and Regional Development: Worker Redeployment Package	11	856	1,266	-
179,204	Total non-departmental other expenses		38,719	123,979	83,270
	Non-departmental capital expenditure				
-	- Economic and Regional Development: Transfer of investments to Crown-owned companies	2	-	25,000	-
-	- Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund		-	20,000	20,000
-	- Regional Development: Investments through Crown-owned Companies for the North Island Weather Events Primary Producer Finance Scheme	11	40,000	80,000	-
-	Total non-departmental capital expenditure		40,000	125,000	20,000
354,370	Total non-departmental annual and MYA expenses		202,677	375,579	288,062
860,531	Total expenditure for outcome		662,585	1,017,544	681,553

Location of year-end performance information:

1. Exemption granted under section 15D(1) of the *Public Finance Act 1989*.
2. Exemption granted under section 15D(2)(b)(ii) of the *Public Finance Act 1989*.
3. Exemption granted under section 15D(2)(b)(iii) of the *Public Finance Act 1989*.
4. Minister of Tourism in the Vote Business, Science and Innovation non-departmental appropriations report.
5. Minister for Economic and Regional Development in the Vote Business, Science and Innovation non-departmental appropriations report.
6. Tourism New Zealand's annual report.
7. New Zealand Post's annual report.
8. Minister for Social Development and Employment in the Vote Labour Market non-departmental appropriations report.
9. Minister of Tourism and Hospitality in the Vote Business, Science and Innovation non-departmental appropriations report.
10. Minister for Economic Development in the Vote Business, Science and Innovation non-departmental appropriations report.
11. Minister of Auckland in the Vote Business, Science and Innovation non-departmental appropriations report.
12. Minister for Regional Development in the Vote Business, Science and Innovation non-departmental appropriations report.
13. Callaghan Innovation's annual report.
14. New Zealand Trade and Enterprise's annual report.

Multi-Year Appropriation

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Border Support Services – MYA		
Original appropriation	18,100	18,100
Cumulative adjustments	21,960	(4,749)
Total adjusted appropriation	40,060	13,351
Cumulative actual expenditure 1 July	9,065	2,706
Current year actual expenditure	15,306	6,359
Cumulative actual expenditure 30 June	24,371	9,065
Appropriation remaining 30 June	15,689	4,286
Economic and Regional Development: Investment in Crown-owned Companies for Infrastructure (2021-2025) – MYA		
Original appropriation	–	5,000
Cumulative adjustments	–	(5,000)
Total adjusted appropriation	–	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	–	–
Economic and Regional Development: Investment in Crown-owned Companies for Waste and Resource Recovery Infrastructure (2021-2025) – MYA		
Original appropriation	–	33,000
Cumulative adjustments	–	(33,000)
Total adjusted appropriation	–	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	–	–
Economic and Regional Development: Major Events Development Fund 2022-2027 – MYA		
Original appropriation	46,700	46,700
Cumulative adjustments	12,156	17,976
Total adjusted appropriation	58,856	64,676
Cumulative actual expenditure 1 July	6,226	–
Current year actual expenditure	14,825	6,226
Cumulative actual expenditure 30 June	21,051	6,226
Appropriation remaining 30 June	37,805	58,450
Economic and Regional Development: Operational support for Grants and Crown investments (2020-2025) – MYA		
Original appropriation	–	8,000
Cumulative adjustments	–	(2,221)
Total adjusted appropriation	–	5,779
Cumulative actual expenditure 1 July	–	5,779
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	5,779
Appropriation remaining 30 June	–	–

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Economic and Regional Development: Supporting Infrastructure Projects (2020-2025) – MYA		
Original appropriation	–	608,339
Cumulative adjustments	–	(207,436)
Total adjusted appropriation	–	400,903
Cumulative actual expenditure 1 July	–	333,737
Current year actual expenditure	–	67,166
Cumulative actual expenditure 30 June	–	400,903
Appropriation remaining 30 June	–	–
Tourism: Recovery from COVID-19 (2021-2023) – MYA		
Original appropriation	–	86,000
Cumulative adjustments	–	(28,000)
Total adjusted appropriation	–	58,000
Cumulative actual expenditure 1 July	–	54,961
Current year actual expenditure	–	2,680
Cumulative actual expenditure 30 June	–	57,641
Appropriation remaining 30 June	–	359
Transitional provision of mail services by New Zealand Post (2020-2024) – MYA		
Original appropriation	–	130,000
Cumulative adjustments	–	–
Total adjusted appropriation	–	130,000
Cumulative actual expenditure 1 July	–	92,643
Current year actual expenditure	–	37,357
Cumulative actual expenditure 30 June	–	130,000
Appropriation remaining 30 June	–	–

Outcome 2: Skilled People Engaged in Safe and Productive Work

Overview (full view on page 19)

Expenditure	Our Outcomes*	Performance Measures
Departmental \$698 million	– Employment	Achieved 36/46
Non-Departmental \$2,376 million	= Skilled workforce	Milestones 2/2
	+ Migrant skills matching business needs	Quality 7/7
	+ Migrant visa application experience	Satisfaction 6/10
	+ Pay equity	Timeliness 17/22
	+ Fatal work-related injuries	Volume 4/5
	– Serious work-related injuries	

*Key: + Positive shift – Negative shift = Unchanged

Outcome Measures

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
2.01	Increase employment	Total employment rate	SNZ Labour Market Statistics	%	Negative
<p>The seasonally adjusted employment rate was 68.4% in the quarter to June 2024. This is a decrease from 69.8% in the quarter to June 2023. This is the first June quarter that this figure has decreased since experiencing a drop (-1%) over the 2019 and 2020 June quarters.</p>					
2.02	Increase skilled workforce	Skilled occupation rate	SNZ Labour Market Statistics	%	Flat/Stable
<p>The provisional skilled occupation rate was 65.6% in the quarter to June 2024, this is the same as in the quarter to June 2023*. This rate has been increasing since 2004, when it was 56.4%. This rate is the proportion of people employed in an occupation assessed as “skilled or higher” by the Australian and New Zealand Standard Classification of Occupations (ANZSCO).</p> <p>* This figure has been revised down from 65.7% to 65.6%. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.</p>					
2.03	Increase skill matching of migrants	Proportion of employed Skilled Migrant Category principal applicants whose current job matches their skills and qualifications	Migrant Survey MBIE	%	Positive
<p>86% of employed Skilled Migrant Category principal applicants agreed that their current role in their main job matches their skills and qualifications, an increase from 83% in 2022. This result has fluctuated over the past 10 years but remained between 80%-89%.</p> <p>A total of 5,318 respondents completed the Migrant Survey in 2023 and the overall survey response rate was 33%.</p>					
2.04	Improve the experience for applicants applying for visas	Percentage of visa applicants satisfied with their overall experience of applying for a visa	Immigration New Zealand Customer Experience Survey, MBIE	%	Positive
<p>The percentage of visa applicants satisfied with their overall experience of applying for a visa was 78% for the 2023-24 financial year. This result was higher than the previous year’s result of 74%. However, it is still below the target of 80%.</p> <p>While an improvement on last year, the result has been affected by a larger proportion of declined respondents, due to targeting of high-risk applications. These declined applicants were unhappy with the outcome of their application, mainly due to the lack of explanation about reasons for decline.</p> <p>The feedback was collected through MBIE’s Immigration New Zealand Customer Experience Survey among visa applicants. A total of 10,881 respondents completed the INZ Customer Experience Survey in 2023-24, which was a response rate of 32%. The result has a margin of error of ±0.9%. The survey was conducted by GravitasOPG, an independent external agency.</p>					

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
2.05	Improve pay equity	Difference in median hourly earnings for men and women	SNZ Labour Market Statistics (income)	%	Positive
2.06	Reduce fatal and serious work-related injury	Fatal injury rate (age standardised rate per 100,000 full-time equivalent (FTE) worker)	SNZ Serious injury outcome indicators	Age standardised rate per 100,000 FTE workers	Positive
2.07	Reduce fatal and serious work-related injury	Serious non-fatal injury rate (age standardised rate per 100,000 FTE worker)	SNZ Serious injury outcome indicators	Age standardised rate per 100,000 FTE workers	Negative



Achieved 36 out of 46 output performance targets

Output Measures

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Economic Development: Senior Diverse Leaders: Capability Building Pilot This appropriation is intended to ensure that Pacific peoples in New Zealand's public sector workforce are supported to play an active role in the stewardship and delivery of policy and services. Findings from the pilot will inform public sector diversity and inclusion outcomes.	Number of partnerships for Mana Moana Pacific leadership programme rollout	10	12 ¹	12
	Number of scholarship participants to be successfully enrolled into and commenced in the Public Sector Senior Pacific Leadership Programme	20	25 ²	24
Economic Development: Shared Services Support This appropriation is intended to achieve the efficient provision of shared corporate services by the Ministry of Business, Innovation and Employment. The shared services include services such as ICT, property, and secondment costs. These are provided to other State Sector organisations, including WorkSafe New Zealand and the Ministry of Housing and Urban Development	A Master Service Agreement is in place with WorkSafe New Zealand that includes the scope of services to be delivered, including the service levels that apply to each service and each party's responsibilities and obligations in respect of those services	Achieved	Achieved	Achieved

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
ACC – Regulatory Services This appropriation is intended to achieve timely advice that manages the Crown's risk and contributes to skilled and safe workplaces, and trusted, competitive and well-functioning markets.	The Accident Insurance Regulator will respond to all complaints and enquiries, including notices of insurers failing to comply with their obligation under the <i>Accident Insurance Act 1998</i> , within five days of receipt	100%	100%	100%
Employment – Employment Sector Analysis and Facilitation This appropriation is intended to achieve productive and successful people, communities and regions through the provision of labour market information.	Labour market information is provided to the Responsible Minister within agreed timeframes	100%	100% ³	90%

- 1 The year-end result has exceeded the target, which was set as a minimum target, with the possibility of more agencies joining the programme. For the second cohort, conducted between February and November 2023, 11 external agencies, along with the Ministry, have either reconfirmed their partnership or joined as new partner agencies.
- 2 The year-end result has exceeded the target. The programme is funded for 20 participants. Five additional placements were secured through an agreement with the programme provider and funded by the participants' agencies. This resulted in 25 participants.
- 3 The Ministry achieved a 10% increase in performance for 2023/24. In 2022/23, two Jobs Online reports were delivered later than the published date. This was due to issues sourcing data from data suppliers. These issues have now been resolved through secure file transfer protocols. This resulted in no Jobs Online reports being delivered late in 2023/24.

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Workplace Relations and Safety – Employment Relations Services This appropriation is intended to achieve well-functioning workplaces through employment relations services.	Percentage of investigations into suspected breaches of regulatory standards of employment legislation completed within six months	80%	69% ⁴	60%
	Percentage of investigations into suspected breaches of regulatory standards of employment legislation completed within twelve months	90%	90%	88%
	Percentage of investigations that involve a regulatory partner	At least 30%	30%	29%
	The number of interventions, both proactive and reactive, aimed at ensuring minimum compliance with employment standards	At least 2,200	5,032 ⁵	3,174
	The percentage of customers satisfied with overall quality and timeliness of Dispute Resolution Services	At least 80%	78% ⁶	80%
	Percentage of Migrant Exploitation Protection Visa credibility assessment completed within five working days	At least 85%	91%	84%
Immigration Services MCA This appropriation is intended to achieve flows of people to New Zealand that generate positive economic and social outcomes.	Percentage of visa applicants satisfied with the overall experience of applying for a visa	80%	78% ⁷	74%
Assessment and Processing Services This category is intended to achieve quality decisions on visa applications efficiently.	Percentage of residence visa decisions rated as accurate	85%	92%	89% ⁸
	Percentage of temporary visa decisions rated as accurate	85%	91%	86% ⁹
	The percentage of work and visitor visas completed within 20 working days	75%	77% ¹⁰	New Measure for 2023/24
	The percentage of student visas completed within 30 working days	75%	65% ¹¹	New Measure for 2023/24
Integrity and Security of the New Zealand Immigration System This category is intended to maintain the integrity and security of New Zealand's immigration system and processes.	Number of people, liable for deportation, who were deported or departed voluntarily after compliance activity	1,500	784 ¹²	782

4 The year-end result has not met the target. A consistently high volume of exploitation reports has resulted in complex investigations, affecting the completion timeframes. This year an improvement was achieved in investigation timeliness from 2022/23, with more timeframes being met within six months year-on-year. Although the target continues not to be met, the gap is closing. Changes to the Labour Inspectorate operating model are expected to continue to improve investigation completion timeframes in 2024/25.

5 The year-end result exceeded the target due to two main factors: the reallocation of resources following the repeal of the Fair Pay Agreement legislation, which allowed for enhanced delivery of employment services during high demand, and a consistent increase in output over the years. The latter reflects a strategic use of employment standards interventions and compliance tools, enabling the Inspectorate or the Ministry to address more employment matters directly, thereby avoiding the judicial processes that often involves significant delays.

6 This is a monthly online survey sent by email to users of the service (applicants, respondents, representatives). The sample size was 27,089, with a response rate of 28%. The result has a margin of error of $\pm 1\%$, calculated at a 99% confidence level. Questions are asked on aspects of experience of the service. Responses are combined using weights from the relevant population numbers for each survey and month. Responses of 4 and 5 are used to represent satisfied customers (with 4 being 'Good' and 5 'Very Good' on a scale of 1 to 5).

7 The sample size was 10,881, with a response rate of 32%. The result has a margin of error of $\pm 0.9\%$. Visa applicants' satisfaction results improved through the year with quarters three and four achieving results of 79% and 81% respectively.

8 In last year's annual report, the stated result (87%) was based on the first three-quarters of 2022/23 only because the year-end result was not available. The updated result (89%) represents the full-year result for 2022/23.

9 In last year's annual report, the stated result (84%) was based on the first three-quarters of 2022/23 only because the year-end result was not available. The updated result (86%) represents the full-year result for 2022/23.

10 This is a new measure on the timeliness (within 20 days) for completion of work and visitor visas. During 2023/24, visitor visa timeliness was 82%, increasing to a high of 90% for the last quarter. Work visa timeliness was 64% for the year, dropping to 59% in the last quarter with the effects of the Accredited Employer Work Visa policy changes.

11 The year-end result has not met the target. Timeliness of applications completed improved in quarter two to 73%, but a surge in applications received pre-Christmas exceeded the Ministry's processing capacity for the following quarters and resulted in late completions. The Ministry has implemented an action plan to improve performance in the next financial year.

12 The year-end result has not met the target. The Ministry's ability to undertake enforcement action against migrants who were breaching their visa

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<i>Services for the Attraction of Migrants</i> This category is intended to achieve immigration to New Zealand of persons who match the priorities of New Zealand's immigration strategies.	The number of new registrations entered into the NZ Now database whose occupations match those at skill levels 1-3 under the Australian and New Zealand Standard Classification of Occupations (ANZSCO)	50,000	70,635 ¹³	New Measure for 2023/24
<i>Settlement and Integration of Refugees and Other Migrants</i> This category is intended to achieve the integration into New Zealand of migrants and refugees who settle permanently in New Zealand.	Percentage of recent migrants who feel that New Zealand is their home	85%	86% ¹⁴	87%
	The number of United Nations High Commissioner for Refugee (UNHCR) – mandated refugees and their immediate families who travelled to New Zealand	1,500	1,514 ¹⁵	New Measure for 2023/24
Policy Advice and Related Services to Ministers MCA (Labour Market) This appropriation is intended to achieve effective policy advice and support to Ministers.	Average satisfaction of Ministers annually	Average score of 4 out of 5 or better	4.4	4.3
<i>Policy Advice and Related Services to Ministers – Accident Compensation</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers.	The satisfaction of the Minister for ACC with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.0	4.0
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	75%	75%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	95%	100%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100%	100%
	Parliamentary questions	95% or above	100% ¹⁶	90%
<i>Policy Advice and Related Services to Ministers – Employment</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers.	The satisfaction of the Minister for Social Development and Employment with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.7	4.6
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	73%	73%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	No Ministerial correspondence requests were received	100%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹⁷	88%
	Parliamentary questions	95% or above	100%	100%

- conditions, including removing people from New Zealand who were liable for deportation, was affected by airlines and flight availability. Flight and seat availability was significantly reduced and of a higher price. This reduced both the Ministry's driven deportations as well as self and voluntary deportations.
- 13 The year-end result has exceeded the target. A significant contributor was a focus on the Philippines market, which had interest from primary and secondary school teachers. In the future, the Ministry will transition to an organic-only strategy, shifting away from targeting specific markets, and anticipates changes in the composition of registrants.
- 14 This performance result is based on the Immigration New Zealand Customer Experience Survey. This survey is contracted to an external independent research agency. In total, 5,318 people completed the survey, with a response rate of 33%. The result has a margin of error of ±1.0%.
- 15 New Zealand achieved its highest number of refugee quota arrivals this year, including a record for single-month arrivals in June 2024. Syria, Myanmar and Afghanistan were the most common source nations. Results for the prior two years were 1,507 in 2022/23 and 754 in 2021/22.
- 16 The Ministry achieved a 10% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.
- 17 The Ministry achieved a 12% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Policy Advice and Related Services to Ministers – Immigration</i></p> <p>This category is intended to achieve the provision of high quality policy advice and support to Ministers.</p>	The satisfaction of the Minister of Immigration with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	3.8 ¹⁸	4.5
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	75%	72%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	89% ¹⁹	87%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	97%	95%
	Parliamentary questions	95% or above	99%	94%
<p><i>Policy Advice and Related Services to Ministers – Income Insurance</i></p> <p>This category is intended to achieve the provision of high quality policy advice and support to Ministers.</p>	Policy advice is provided to inform Budget decisions and enable Cabinet consideration by 30 June on whether to implement an income insurance scheme in New Zealand and its design	Achieved	Achieved ²⁰	Achieved

¹⁸ The Ministry is working on continuous improvement to address remaining gaps and meet the target for 2024/25. The Minister has responded to one of two satisfaction surveys, this result is based on the information from the one survey completed during 2023/24, covering the period from January to June 2024. For further information, refer to the 'ministerial satisfaction measures' within the Disclosure of Judgements section of this report.

¹⁹ Two hundred and forty three of the 274 Ministerial correspondences were sent on time. The target was not met due to delays in information processing, human error, IT issues, sign-out processes and subject matter expert work. The Ministry is implementing ongoing improvements to its systems and processes, including additional training and enhanced reporting mechanisms, to address these gaps and meet the target for 2024/25.

²⁰ Policy advice was provided to inform decision-making on the work programme. The decision was made not to continue with an income insurance scheme.

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Policy Advice and Related Services to Ministers – Workplace Relations and Safety</i></p> <p>This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.</p>	The satisfaction of the Minister for Workplace Relations and Safety with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	5.0 ²¹	4.1
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	76%	74%
	Ministers and stakeholders, including tripartite partners, non-government organisations and/or other stakeholders more generally, are satisfied with the quality of support, and representation provided to meet New Zealand's labour-related international commitments	Satisfied	Not reported ²²	Satisfied
	Meet New Zealand's International Labour Organisation's related commitments through protecting and promoting New Zealand's labour interests, including submitting all required reports and questionnaires within specified timeframes	100% met	100% met	100% met
	Provide support to the Ministry of Foreign Affairs and Trade in negotiation of trade labour agreements as part of all free trade agreements, and implemented in accordance with each agreement	Support provided as requested	Achieved – Support provided as requested	Achieved – Support provided as requested
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	97%	97%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	92% ²³	96%
	Parliamentary questions	95% or above	99%	99%

21 The Ministry achieved an 18% increase in performance for 2023/24, driven by its efforts to better understand how it can best support its ministers.

22 This performance result is not reported. The regularly scheduled survey was not conducted this year. The Ministry is developing a comprehensive survey to reflect new commitments in trade agreements and make sure we capture a range of views that align with the performance measure. The Ministry anticipates this survey will be in place in time for results to be presented in next year's annual report.

23 Twenty-four out of 26 Ministerial OIA requests were sent on time. The target was not met due to delays in information processing, human error and IT issues. The Ministry is implementing ongoing improvements to its systems and processes, including additional training and enhanced reporting mechanisms, to address these gaps and meet the target for 2024/25.

How Much We Spent

Actual 2022/23 \$000	Our expenditure summary	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
611,470	Departmental expenses	697,870	718,636	646,304
2,228,733	Non-departmental expenses	2,371,493	2,376,918	2,370,963
	– Departmental capital	–	–	–
14,541	Non-departmental capital	4,650	4,650	4,650
2,854,744	Total expenditure for outcome	3,074,013	3,100,204	3,021,917

Our Services and Functions, Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
	Departmental outputs				
344	Economic Development: Senior Diverse Leaders: Capability Building Pilot		199	350	350
3,611	Economic Development: Shared Services Support		4,557	13,260	13,260
210	Pike River Re-entry: Disestablishment of Pike River Recovery Agency		–	–	–
57	ACC – Regulatory Services		64	122	122
2,583	Employment – Employment Sector Analysis and Facilitation		2,390	3,028	3,028
55,811	Workplace Relations and Safety – Employment Relations Services		60,338	61,599	63,231
62,616	Total departmental output expenditure		67,548	78,359	79,991
	Multi-category expenses and capital expenditure				
520,301	Immigration Services MCA		603,661	611,824	538,493
	<i>Departmental output expenses</i>				
347,669	› Assessment and Processing Services		414,033	422,928	373,665
81,200	› Integrity and Security of the New Zealand Immigration System		99,661	98,440	82,909
10,617	› Services for the Attraction of Migrants		9,937	9,659	8,675
80,815	› Settlement and Integration of Refugees and Other Migrants		80,030	80,797	73,244
28,553	Policy Advice and Related Services to Ministers MCA		26,661	28,453	27,820
	<i>Departmental output expenses</i>				
1,389	› Policy Advice and Related Services to Ministers – Accident Compensation		1,537	2,244	2,244
3,381	› Policy Advice and Related Services to Ministers – Employment		3,644	4,095	3,462
10,628	› Policy Advice and Related Services to Ministers – Immigration		10,088	8,529	8,529
2,729	› Policy Advice and Related Services to Ministers – Income Insurance		1,633	2,044	2,044
10,426	› Policy Advice and Related Services to Ministers – Workplace Relations and Safety		9,759	11,541	11,541
548,854	Total multi-category expenses and capital expenditure		630,322	640,277	566,313
611,470	Total expenditure		697,870	718,636	646,304

Our Services, Non-Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental output expenses					
5,186	Economic and Regional Development: Auckland Pacific Skills (2020-2025) – MYA	1	5,988	8,797	5,500
614	Economic and Regional Development: Operation of the Future of Work Forum	1	450	600	700
279,899	ACC – Case Management and Supporting Services	2	301,070	301,070	301,070
22,664	ACC – Case Management and Supporting Services – Treatment Injuries for Non-Earners	2	24,379	24,379	24,379
11,387	ACC – Establishment of New Income Insurance Scheme		–	1,400	1,400
437,041	ACC – Public Health Acute Services	2	470,100	470,100	470,100
2,692	ACC – Public Health Acute Services – Treatment Injuries for Non-Earners	2	2,895	2,895	2,895
983,089	ACC – Rehabilitation Entitlements and Services	2	1,059,415	1,059,415	1,059,415
216,999	ACC – Rehabilitation Entitlements and Services – Treatment Injuries for Non-Earners	2	233,413	233,413	233,413
12,708	ACC – Sexual Abuse Assessment and Treatment Services	2	13,033	13,033	13,033
869	Workplace Relations and Safety – Health and Safety at Work Levy – Collection Services	3	869	869	869
140,256	Workplace Relations and Safety – Workplace Health and Safety	5	134,231	134,231	132,363
2,113,404	Total non-departmental output expenses		2,245,843	2,250,202	2,245,137
Benefits or related expenses					
85,442	ACC – Compensation Entitlements	4	91,838	91,838	91,838
20,711	ACC – Compensation Entitlements – Treatment Injuries for Non-Earners	4	22,277	22,277	22,277
106,153	Total benefits or related expenses		114,115	114,115	114,115
Non-departmental other expenses					
–	Public Sector Pay Adjustment – Business, Science and Innovation Remuneration Cost Pressure	6	1,000	1,000	–
6,348	Workplace Relations and Safety – Employment Relations Authority Members' Salaries and Allowances PLA	6	6,977	7,642	7,621
396	Workplace Relations and Safety – Equal Employment Opportunities Trust	3	396	396	396
1,740	Workplace Relations and Safety – International Labour Organisation	3	2,037	2,105	1,855
15	Workplace Relations and Safety – New Zealand Industrial Relations Foundation	3	15	15	15
327	Workplace Relations and Safety – Remuneration Authority Members' Fees, Salaries and Allowances	3	326	330	330
350	Workplace Relations and Safety – Support for Fair Pay Agreements and Screen Industry occupational bargaining	3	784	1,113	1,494
9,176	Total non-departmental other expenses		11,535	12,601	11,711
Non-departmental capital expenditure					
14,541	Workplace Relations and Safety – Capital for WorkSafe New Zealand	5	4,650	4,650	4,650
14,541	Total non-departmental capital expenditure		4,650	4,650	4,650
2,243,274	Total non-departmental annual and MYA expenses		2,376,143	2,381,568	2,375,613
2,854,744	Total expenditure for outcome		3,074,013	3,100,204	3,021,917

Location of year-end performance information:

1. Minister for Economic Development in the Vote Business, Science and Innovation non-departmental appropriations report.
2. Accident Compensation Corporation's annual report.
3. Exemption granted under section 15D(2)(b) (iii) of the *Public Finance Act 1989*.
4. Exemption granted under section 15D(2)(b) (ii) of the *Public Finance Act 1989*.
5. WorkSafe New Zealand's annual report.
6. Callaghan Innovation's annual report.

Multi-Year Appropriation

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Economic and Regional Development: Auckland Pacific Skills (2020-2025) – MYA		
Original appropriation	20,965	20,965
Cumulative adjustments	–	–
Total adjusted appropriation	20,965	20,965
Cumulative actual expenditure 1 July	12,168	6,982
Current year actual expenditure	5,988	5,186
Cumulative actual expenditure 30 June	18,156	12,168
Appropriation remaining 30 June	2,809	8,797

Outcome 3: Competitive Markets with Informed Consumers and Businesses

Overview (full view on page 22)

Expenditure	Our Outcomes*	Performance Measures												
Departmental \$321 million	<ul style="list-style-type: none"> o Consumer awareness of rights o Consumer awareness of resolution pathways + Tenancy mediation - Employment mediation - Business experience with government agencies 	<table border="0"> <tr> <td>Achieved</td> <td>59/76</td> </tr> <tr> <td>Milestones</td> <td>9/9</td> </tr> <tr> <td>Quality</td> <td>14/16</td> </tr> <tr> <td>Satisfaction</td> <td>11/16</td> </tr> <tr> <td>Timeliness</td> <td>15/22</td> </tr> <tr> <td>Volume</td> <td>10/13</td> </tr> </table>	Achieved	59/76	Milestones	9/9	Quality	14/16	Satisfaction	11/16	Timeliness	15/22	Volume	10/13
Achieved	59/76													
Milestones	9/9													
Quality	14/16													
Satisfaction	11/16													
Timeliness	15/22													
Volume	10/13													
Non-Departmental \$314 million														

*Key: + Positive shift - Negative shift = Unchanged o Not reported

Outcomes Measures

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
3.01	Increase awareness about consumer rights	Percentage of adult consumers who know at least a moderate amount about their rights as a consumer	New Zealand Consumer Survey, MBIE	%	Not reported
	This survey is conducted every two years. In 2022/23, the last period for which data is available only 45% of consumers reported knowing at least a moderate amount about their consumer rights. This result remains unchanged (45%) from the previous survey carried out in 2020.				
3.02	Improve consumer awareness of access to dispute resolution pathways	Percentage of consumers who agree there is adequate access to services that help to resolve disputes between consumers and business	New Zealand Consumer Survey, MBIE	%	Not reported
	This survey is conducted every two years. In 2022/23, the last period for which data is available, we reported that 44% of consumers agree there is adequate access to dispute services. This is a decrease from 48% captured in the previous survey in 2020.				
3.03	Increase percentage of tenancy mediations settled	Percentage of tenancy mediations settled	MBIE dispute resolution database reporting, MBIE	%	Positive
	88.34% of dispute resolution mediations that were scheduled for mediation in 2023/24, were settled in the financial year. This result is an improvement on last year's result of 86.31%. This increase in the settlement rate was coupled with an increase in application volumes. Part of this success can be attributed to the continued focus on appropriate early contact and intervention approach taken with applications filed.				

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
3.04	Increase employment mediation customer satisfaction	Percentage of clients satisfied based on their last interaction with the employment mediation services	Employment Mediation Services Satisfaction Survey, MBIE	%	Negative
<p>The percentage of clients satisfied with the overall quality of employment mediation services was 78% in the quarter to March 2024, a decrease from 81% in the quarter to March 2023, but still ahead of 73% in the quarter to March 2022, and 76% in the quarter to March 2021.</p> <p>A total of 1,916 respondents completed the Employment Mediation Services Client Satisfaction Surveys for the March quarter in 2024. The survey collection method has changed for this result compared to the March 2022 quarter. Surveys are issued on the 5th of the month. For the March 2024 quarter, surveys were issued on 5 February, March and April 2024. The running survey response rate in this quarter was 25.97%. The survey result has a margin of error of ±3%. The survey was conducted internally using SurveyMonkey.</p>					
3.05	Improve the business experience when dealing with MBIE	Customer Experience Index (MBIE CXI)	Better for Business Monitor, MBIE	Score	Negative
<p>MBIE scored 63 on the CXI for 2024. Over the past year, MBIE's CXI score declined by six points from 69 to 63. This decrease was primarily due to businesses having to spend more time dealing with MBIE and requiring more contact to resolve matters. This compares with the all-of-government CXI score of 55.</p> <p>There were n=2,208 business responses for the CXI survey, with an error margin of ± 2.4% at the 95% confidence interval. The MBIE CXI score is made up of businesses (n=260) who have recently interacted with MBIE in the past 12 months.</p>					



Achieved 59 out of 76 output performance targets

Outputs Measures

Vote Building and Construction		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Insurance Claims Resolution This appropriation is intended to achieve faster and cheaper resolution of residential insurance claims resulting from disasters, natural or otherwise.	Percentage of users of the New Zealand Claims Resolution Service (NZCRS) that would recommend NZCRS to others	At least 75%	Reported elsewhere ¹	91%
Occupational Licensing This appropriation is intended to achieve certainty and confidence for the industry and the public that licensed practitioners and workers in the building, construction and electrical sectors are competent and contribute to safe, healthy and affordable homes and buildings.	An internal audit and assurance rating received on the quality and timeliness of administration of licensed building practitioners and electrical workers regimes	Rating of acceptable or better	Acceptable level of compliance ²	Acceptable level of compliance
Residential Tenancy and Unit Title Services This appropriation is intended to achieve an environment in which residential tenancy and unit title consumers and businesses are well informed, understand their rights, and meet their regulatory obligations through the provision of information, education, advice, compliance, bond processing and mediation services.	Number of interventions undertaken dealing with potential breaches of the <i>Residential Tenancies Act 1986</i>	At least 3,000	3,049	3,025
	Percentage of dispute resolution mediations settled	85%	88%	86%
Weathertight Services This appropriation is intended to achieve resolution of weathertight homes claims in New Zealand	The percentage of long assessments (full, follow-up full, addendum, concise, cost update and supplemental) completed within 120 working days of being allocated to an assessor	80%	100% ³	100%
Building Policy, Regulation and Advice MCA This appropriation is intended to achieve a regulatory system that ensures safe and healthy building practice in the construction sector, and effective policy advice and support to Ministers.	Average satisfaction of Ministers annually	Average score of 4 out of 5 or better	4.9	4.6
Building Regulation and Control This category is intended to achieve a regulatory system that ensures safe and healthy building practice in the construction sector.	Percentage of determinations subject to clarification due to inadequate coverage of issues	Less than 3%	0%	0%
	Percentage of determinations successfully appealed	Less than 2%	0%	0%
	Percentage of users satisfied that information provided on matters relating to Building Control has met their needs	At least 72% of users surveyed	81% ⁴	76%

¹ Funds for this appropriation were transferred to the *Commerce and Consumer Affairs: Insurance Claims Resolution* appropriation. Refer to that appropriation further down this document for the full year performance measure result.

² An internal auditor from the Occupational Regulation Quality Committee conducts the internal audit. A rating system of 1 to 5 is used for this measure (1 = unacceptable level of compliance and 5 = high level of compliance).

³ The year-end result has exceeded the target due to low numbers of long assessments being completed during 2023/24. Two reports were completed within the timeframe. Weathertight Services is in its 'sunset' phase and working towards the closure or resolution of all remaining claims. The overall number of long assessments undertaken is fewer, hence the 100% rate.

⁴ The year-end result has exceeded the target due to improved online learning systems and educational resources. A rating system of 1 to 5 stars is used for this measure (1 being the lowest rating and 5 being the highest). During 2023/24 we received 412 responses. Results are calculated based on the number of 4- or 5-star ratings we received divided by the total number of responses recorded.

Vote Building and Construction		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Executive functions and building system support</i></p> <p>This category is intended to achieve effective stewardship and regulation of the building system through the performance of executive functions, and provision of external support to statutory bodies where necessary to ensure they perform their functions effectively.</p>	Percentage of charges filed against individuals who are not appropriately registered or licensed in a relevant statutory regime that are upheld by the court	100%	100%	N/A
<p><i>Policy Advice and Related Services to Ministers – Building and Construction</i></p> <p>This category is intended to achieve the provision of high-quality policy advice and support to Ministers.</p>	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	94% ⁵	98%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100%	96%
	Parliamentary questions	95% or above	96%	100%
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	73%	72%
<p>Residential Earthquake-Prone Building Support Services MCA</p> <p>This appropriation is intended to achieve the delivery of targeted financial and non-financial support to eligible owners of earthquake-prone buildings, to meet their obligations under the <i>Building Act 2004</i></p>	Assistance is only provided to owners of earthquake-prone buildings who have met the stated criteria for the relevant scheme or service	100%	Not reported ⁶	100%
<p><i>Earthquake-Prone Building Remediation Support Service</i></p> <p>This category is intended to achieve the provision of support services to selected building owner groups to plan remediation of their earthquake-prone buildings.</p>	Percentage of buildings with agreed remediation plans in place within 18 months of owners confirming agreement to take part in the pilot	70%	Not Reported ⁶ – Pilot discontinued	N/A
<p><i>Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme</i></p> <p>This category is intended to achieve the provision of support for eligible homeowners to access funding to strengthen their homes.</p>	Expressions of interest in the scheme are responded to within 2 working days of being received by Kāinga Ora	100%	100%	96%

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
<p>Commerce and Consumer Affairs: Consumer Advocacy Council for Small Electricity Consumers</p> <p>This appropriation is intended to achieve the provision of evidence-based advocacy on policy and regulatory consultations, and in decision-making processes, on behalf of small business and residential electricity consumers.</p>	The Consumer Advocacy Council provides six-monthly reporting to the Minister outlining progress of the agreed work programme	Achieved	Achieved	New Measure for 2023/24

⁵ Eighty-seven of the 93 Ministerial correspondence requests were sent on time. The target was not met due to delays in information processing, human error and IT issues. The Ministry is implementing ongoing improvements to its systems and processes, including additional training and enhanced reporting mechanisms, to address these gaps and meet the target for 2024/25.

⁶ This performance result is not reported. Due to changes in government priorities, the programme has been discontinued. During the 12 months this appropriation was operational, key tasks completed included identifying 10 buildings eligible for the service, delivering case management support and facilitating the provision of free legal, well-being and mediation support services to building owners. These building owners were also relying on the Residential Earthquake-prone building financial assistance scheme for financial support. This scheme was closed, along with the earthquake-prone building remediation support service pilot.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
Commerce and Consumer Affairs: Consumer Information This appropriation is intended to achieve a fair trading environment in which consumers, including vulnerable consumers, are well informed and adequately protected, and in which there is effective competition.	Develop three consumer information programmes	3	3 ⁷	5
Commerce and Consumer Affairs: Insurance Claims Resolution This appropriation is intended to achieve timely and effective resolution of residential insurance claims resulting from disasters, natural or otherwise.	Percentage of users of the New Zealand Claims Resolution Service (NZCRS) that would recommend NZCRS to others	at least 75%	84% ⁸	91%
Commerce and Consumer Affairs: Official Assignee Functions This appropriation is intended to achieve increased business and consumer confidence through the discharge of the Official Assignee's statutory responsibilities	An average internal audit rating of 3 or-better is achieved for the year, on compliance with best practice modules across all Insolvency Offices, in line with the Quality Management System	Rating of 1,2 or 3	1.65 ⁹	1.67
Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights This appropriation is intended to achieve the protection of robust intellectual property rights to promote innovation, technology creation, transfer and dissemination, and support economic development.	Percentage of decisions by the Intellectual Property Office and the Plant Variety Rights Office to accept, grant or register intellectual property rights that are upheld	99%	99.9%	99.9%
Commerce and Consumer Affairs: Registration and Provision of Statutory Information This appropriation is intended to achieve effective and efficient interaction between business and government through the management of registers and provision of access to authoritative information.	Percentage of online company name approvals and consents processed within 35 minutes of receipt during normal business hours	95%	99.0%	99.2%
	Availability of the Companies and Personal Property Securities online registers (excludes agreed outages for scheduled maintenance)	99%	99.8%	99.7%
	User satisfaction with the services, tools and support business.govt.nz provides to small businesses	80%	Reported elsewhere ¹⁰	New Measure for 2023/24
Commerce and Consumer Affairs: Standards Development and Approval This appropriation is intended to achieve the development of, and access to, standards in New Zealand that meet the needs of business, regulators and consumers.	Percentage of all new, or modifications to existing NZ Standards have been reviewed to help ensure they don't create unnecessary obstacles to international trade and investment.	100%	100%	100%
	Percentage of draft New Zealand Standards submitted for approval by the Standards Executive that meet the statutory criteria as specified in the <i>Standards and Accreditation Act 2015</i>	100%	100%	100%

7 In 2022/23 two information programmes were run in addition to the three originally planned. These programmes were reactive campaigns responding to emerging issues relating to product safety.

8 An online survey with an option to respond anonymously was used to collect results. The sample size was 1,053 with a response rate of 25%. The result has a margin of error of ±1%. The survey contains five multi-choice questions and one free-text field to provide written feedback. A survey is only generated if a customer has returned a signed consent form. A hard copy of the survey is posted to customers without an email address and the option to respond anonymously is also provided.

9 A rating system of 1 to 5 is used for this measure (1 = an excellent level of compliance; 2 = a high acceptable level of compliance; 3 = an acceptable level of compliance; 4 = an unacceptable level of compliance; and 5 = the office does not comply).

10 From 1 October 2023, business.govt.nz moved into the Small Business Enabling Services MCA. Refer to the 'User satisfaction with the services, tools and support business.govt.nz provides to small businesses will be at least' measure in the 'Services Supporting Small Business' category in that appropriation for the full year performance measure result.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
Commerce and Consumer Affairs: Trading Standards This appropriation is intended to achieve a trading environment in which businesses and consumers are well informed, compliant, adequately protected; trading is fair; and there is effective competition.	The weighted internal audit and assurance rating received on the quality and timeliness of the administration of regulatory compliance, service and operational policy delivery relating to measurements used for trade and fuel quality monitoring is rated 3 or better	Weighted audit rating 3 or better	3 ¹¹	3
	Voluntary product recall notifications are acknowledged and responded to within 5 working days	90%	96%	94%
Communications: Management and Enforcement of the Radiocommunications Act 1989 This appropriation is intended to achieve the provision of effective and efficient allocation and licensing of the radio spectrum and covers all commercial regulatory and non-commercial activities.	95% of internal audits on the timeliness of administration of submitted licensing applications, interference investigations, and license and supplier audits are compliant	95%	95%	95%
Communications: Management of Emergency Telecommunications Capabilities This appropriation is intended to achieve the continued operation and enhancement of the Emergency Caller Location Information (ECLI) service for New Zealand, including maintaining currency with evolving technology and improving the accuracy of caller locations.	Percentage of genuine calls for which Emergency Caller Location Information (ECLI) provides high precision location	90%	90%	88.1%
Economic Development: Developing a Circular Economy and Bioeconomy Strategy This appropriation is intended to achieve the development and delivery of a circular economy and bioeconomy strategy.	Research to build the evidence base is completed by 30 April 2024	Achieved	Achieved	New Measure for 2023/24
Police: Administration of the Retail Crime Subsidy Scheme This appropriation is intended to achieve operational leadership and departmental support for the Retail Crime Subsidy Scheme.	Supplier invoices are paid within 10 business days	95%	74% ¹²	New Measure for 2023/24
	A sample verification is conducted to confirm retailer eligibility self-declarations meet eligibility criteria	Achieved	Achieved	Achieved
Communications: Services for Deaf, Hearing-Impaired and Speech-Impaired People MCA This appropriation is intended to achieve the removal of barriers to telecommunications services for deaf and hearing impaired people.	NZ Relay call minutes and service quality levels monitored to ensure the service meets the needs of the users	Achieved	Achieved	Achieved
Telecommunications Development Levy Funded Procurement – Deaf Relay Service TSO This category is intended to achieve the purchase of deaf relay services for deaf, hearing-impaired, and speech-impaired people.	Minimum service level agreement met or exceeded for the full year	Achieved	Achieved	Achieved

¹¹ A rating system of 1 to 4 is used for this measure (1 = unacceptable level of compliance; 2 = marginal level of compliance; 3 = acceptable level of compliance; and 4 = high level of compliance).

¹² This result is based on the calculation of all invoices that were paid during the 2023/24 period. This includes invoices that required addressing queries and errors prior to payment. For instance, invoices submitted before the goods were supplied took longer than 10 business days to process, as payments are only made after confirming that all errors and queries have been resolved. Reported result was calculated from the date the invoice was received by the Ministry (sent to budget holder), and not the date the invoice was created.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
<i>Acquisition of Relay Equipment</i> This category is intended to achieve access to, and use of, telecommunications services and equipment by deaf, hearing impaired, and speech impaired people.	Minimum service level agreement met or exceeded for the full year	Achieved	Achieved	Achieved
Policy Advice and Related Services to Ministers MCA (Business, Science and Innovation) <i>Investigative Services – Trade Remedies</i> This category is intended to achieve a fair international trading environment for New Zealand manufacturers through the imposition of anti-dumping and countervailing duties on imported goods, and to allow New Zealand manufacturers time to adjust to competition from surges of imported goods through the imposition of temporary safeguard measures, where an investigation has established that either action is justified.	No successful court challenges or successful World Trade Organisation (WTO) dispute settlement actions related to the <i>Dumping and Countervailing Duties Act 1988</i> or the <i>Trade (Safeguard Measures) Act 2014</i>	Achieved	Achieved	Achieved
	Timeliness of investigations allowed interested parties to appropriately contribute, and the Minister of Commerce and Consumer Affairs to make final timely determinations	In accordance with statutory timeframes	No investigation was warranted as no application was submitted by interested parties	Achieved
<i>Policy Advice and Related Services to Ministers – Commerce and Consumer Affairs</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	75%	72%
	The satisfaction of the Minister of Commerce and Consumer Affairs with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.5	4.2
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	98%	96%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹³	90%
	Parliamentary questions	95% or above	88% ¹⁴	91%

¹³ The Ministry achieved a 10% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

¹⁴ Eighty of the 91 Parliamentary question requests were sent on time. The target was not met due to delays in consultation and the collation and processing of information. The Ministry is working on ongoing enhancements to its systems and processes, which include providing additional training and improving reporting mechanisms to address remaining gaps and meet the target for 2024/25.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
<p><i>Policy Advice and Related Services to Ministers – Digital Economy and Communications</i></p> <p>This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.</p>	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	72%	72%
	The satisfaction of the Minister for the Digital Economy and Communications with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.6	4.8
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	100% ¹⁵	97%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹⁵	100%
	Parliamentary questions	95% or above	83% ¹⁶	87%
<p><i>Policy Advice and Related Services to Ministers – Small Business</i></p> <p>This category is intended to achieve the provision of high quality policy advice and support to Ministers.</p>	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	73%	74%
	The satisfaction of the Minister for Small Business with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.4	4.9
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	92% ¹⁷	100%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹⁸	100%
	Parliamentary questions	95% or above	100% ¹⁹	89%
<p>Small Business Enabling Services</p> <p>This appropriation is intended to achieve support to New Zealand's small business to be innovative, productive and sustainable.</p>	Overall customer experience with our tools and services is positive	Achieved	Achieved	New Measure for 2023/24
<p><i>Operational Support of the Regional Business Partner Network</i></p> <p>This category is limited to the design, establishment, administration, management, monitoring and evaluation of the Regional Business Partner Network and related business support programmes.</p>	Contractual obligations related to Regional Business Partner Network are met, governance structures are upheld and regular reporting milestones are met	Achieved	Achieved	Achieved

15 Following the 2023 General Election and subsequent portfolio changes, the former Digital Economy and Communications portfolio changed to the Media and Communications portfolio. This result includes the former and current portfolio.

16 Twenty of the 24 Parliamentary question requests were sent on time. The target was not met due to administrative delays. The Ministry is working on ongoing enhancements to our systems and processes, which include providing additional training and improving reporting mechanisms to address remaining gaps and meet the target for 2024/25. Following the 2023 General Election and subsequent portfolio changes, the former Digital Economy and Communications portfolio changed to the Media and Communications portfolio. This result includes the former and current portfolio.

17 Thirty-six of the 39 Ministerial correspondence requests were sent on time. The target was not met due to delays in scoping and the sign-out processes. The Ministry is working on ongoing enhancements to its systems and processes, which include providing additional training and improving reporting mechanisms to address remaining gaps and meet the target for 2024/25. Following the 2023 General Election and subsequent portfolio changes, the former Small Business portfolio changed to Small Business and Manufacturing portfolio. This result includes the former and current portfolio.

18 Following the 2023 General Election and subsequent portfolio changes, the former Small Business portfolio changed to the Small Business and Manufacturing portfolio. This result includes the former and current portfolios.

19 Following the 2023 General Election and subsequent portfolio changes, the former Small Business portfolio changed to the Small Business and Manufacturing portfolio. This result includes the former and current portfolios. The Ministry achieved an 11% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
Services Supporting Small Business This category is intended to achieve an environment in which businesses are well informed with tools, products and service and programmes which support them to thrive	Minimum number of businesses registered to receive eInvoices	13,500	22,174 ²⁰	New Measure for 2023/24
	Minimum number of new services on the Business Connect Platform	22	24 ²¹	New Measure for 2023/24
	User satisfaction with the services, tools and support business.govt.nz provides to small businesses will be at least	80%	89% ²²	New Measure for 2023/24
	Annual number of users to business.govt.nz website and tools will be no less than	1,500,000	1,499,380	New Measure for 2023/24
	User satisfaction with B4B insights reports will be at least	75%	80% ²³	New Measure for 2023/24
Business and Wellbeing Support This category is intended to achieve effective delivery of business advisory and wellbeing support services to small businesses.	Number of times mental health and well-being resources have been downloaded will be at least	350,000	769,809 ²⁴	258,053
	The average user star rating of First Steps website content is no less than	4 out of 5	4.9	New Measure for 2023/24
Digital Enablement of Small Business This category is intended to achieve funding for small businesses and providers for services and products that accelerate the digital enablement of New Zealand small business	Percentage of Digital Boost trainees very likely or likely to recommend Digital Boost services will be at least	75%	Not reported ²⁵	New Measure for 2023/24
Services to Support the Growth and Development of New Zealand Businesses This category is intended to achieve increased business and management capability that improves individual firm and wider business performance	Total Net Promoter Score for the Regional Partner Business Network will be at least	+60	+69 ²⁶	New Measure for 2023/24
	Number of businesses accessing support to improve individual firms and wider business performance at least	5,000	5,698 ²⁷	5,111
Small Business: Business and Wellbeing Support MCA This appropriation is intended to achieve the provision of wellbeing support services tailored specifically for Small Business owners and their staff	The average user star rating of First Steps website content is no less than 4 out of 5 stars	Achieved	Reported elsewhere ²⁸	New Measure for 2023/24

- 20 The year-end result has exceeded the target. This is largely due to industry promotion of the service, which resulted in a large increase in the number of businesses registered earlier in 2024.
- 21 In 2023/24 the Ministry has been working on technology and processes that make it easier for organisations to add services to Business Connect, their formbuilder feature is an example of this. This has helped Business Connect exceed the 22 targets by 2 services.
- 22 The year-end result has exceeded the target due to higher than anticipated ratings by business.govt.nz users. The measure is based on satisfaction ratings provided by users directly through the website. A rating system of 1 to 5 stars is used for this measure (1 being the lowest rating and 5 being the highest). An 80% or higher rating is the equivalent of an average rating of 4/5 or higher. Reported result was calculated by averaging out the results received.
- 23 SurveyMonkey was used to collect results through an annual survey of key stakeholders' satisfaction with 'Health & Digital Monitor' and 'Research monitor (CXI)' insights products. This survey is not compulsory, the response rate was 21.7%. The result has a margin of error of ±6%, calculated at a 95% confidence level.
- 24 This measure is demand driven. The year-end result has exceeded the target due to a higher than anticipated demand for these downloads, following successful awareness campaigns and publication of new content.
- 25 This performance result is not reported. The regularly scheduled independent evaluation was not conducted this year due to reprioritisation of resources and the programme's scheduled conclusion in December 2024. For reference, the most recent independent evaluation, completed in June 2023, resulted in an 84% rating. Previously, three independent evaluations had been undertaken to measure the programme's efficacy and guide amendments to the programme to best support businesses. During the period this appropriation was operational, support was provided through the online learning platform and online diagnostic tool.
- 26 The year-end result has exceeded the target due to higher than anticipated Net Promoter Scores being provided by businesses using the Regional Business Partner Network. Customers surveyed in 2023/24 included 4,236 businesses actively engaging with a Regional Business Partner Growth Advisor between 1 July and 30 June. The survey was completed by 576 respondents completed the survey, a response rate of 13%. The result has a margin of error of 4%.
- 27 This measure is demand driven. The year-end result has exceeded the target and 2022/23 results due to a higher than anticipated demand for Regional Business Partner Network services and successful trialling of a tiered delivery model.
- 28 From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA. Refer to the 'The average user star rating of First Steps website content is no less than' measure in the 'Business and Wellbeing Support' category in that appropriation for the full year performance measure result.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	W measures	Target	Actual	Actual
<i>Delivery of business and wellbeing support services</i> This category is intended to achieve the effective monitoring of the First Steps programme.	Contractual obligations are met, Governance structures are upheld and regular reporting milestones are met.	Achieved	Achieved ²⁹	Achieved
<i>Wellbeing Support for businesses</i> This category is intended to achieve effective delivery of business advisory and wellbeing support services to small businesses	Number of times mental health and well-being resources have been downloaded	104,520	Reported elsewhere ³⁰	258,053
	Number of businesses who accessed 'First Steps' website	113,500	104,520 ³¹	380,946
Small Business: Digital Enablement of Small Business MCA This appropriation is intended to achieve digital acceleration of New Zealand small businesses by facilitating the provision of and access to digital business skills training, advisory services, support, and tools.	Percentage of Digital Boost trainees very likely or likely to recommend Digital Boost services	Greater than or equal to 75%	N/A ³²	78%
<i>Small Business: Digital Enablement Programme Design, and Management</i> This category is intended to achieve the effective design, establishment and monitoring of the Digital Enablement Programme.	Successful administration of third-party contracts, including ensuring regular reporting, delivery of milestones and contractual obligations of the Digital Boost Programme are met	Achieved	Achieved ³³	Achieved
<i>Small Business: Digital Enablement Small Business and Provider Funding and Services</i> This category is intended to achieve funding small businesses and providers for services and products that accelerate the digital enablement of New Zealand small businesses.	The number of business trainees signing up to the Digital Boost programme, including the Skills Training Platform and/or receiving digital business action plans	2,816	2,816 ³⁴	8,243

Vote Labour Market		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Immigration – Regulation of Immigration Advisers This appropriation is intended to achieve certainty and confidence for the industry and the public that licensed immigration advisers are competent and professional, and that action is taken against unlicensed advice.	An internal audit and assurance rating received on the quality and timeliness of administration of the <i>Immigration Advisers Licensing Act 2007</i>	Rating of acceptable or better	Acceptable Level of compliance ³⁵	Acceptable Level of compliance

29 This result covers July to September 2023. From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA and this measure was discontinued.

30 From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA. Refer to the 'Number of times mental health and well-being resources have been downloaded will be at least' measure in the 'Business and Wellbeing Support' category in that appropriation for the full year performance measure result.

31 This result covers July to September 2023 and the target was adjusted in the Supplementary Estimates of Appropriations 2023/24 to reflect this. From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA and this measure was discontinued.

32 This performance result is not available. From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA. Refer to the 'Percentage of Digital Boost trainees very likely or likely to recommend Digital Boost services will be at least' measure in the 'Digital Enablement of Small Business' category in that appropriation for information on performance.

33 This result covers July to September 2023. From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA and this measure was discontinued.

34 This result covers July to September 2023 and the target was adjusted in the Supplementary Estimates of Appropriations 2023/24 to reflect this. From 1 October 2023, this appropriation moved into the Small Business Enabling Services MCA and this measure was discontinued.

35 An internal auditor from the Occupational Regulation Quality Committee conducts the internal audit. A rating system of 0 to 3 is used for this measure (0 = unacceptable level of compliance; 1 = marginal level of compliance; 2 = acceptable level of compliance; and 3 = high level of compliance).

How Much We Spent

Actual 2022/23 \$000	Our expenditure summary	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
303,224	Departmental expenses	320,617	360,052	320,478
221,331	Non-departmental expenses	306,908	324,603	293,662
–	Departmental capital	–	–	–
13,485	Non-departmental capital	6,700	172,465	15,756
538,040	Total expenditure for outcome	634,225	857,120	629,896

Our Services and Functions, Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Departmental outputs					
2,315	Insurance Claims Resolution		–	–	826
15,316	Occupational Licensing		16,138	16,345	16,367
46,786	Residential Tenancy and Unit Title Services		45,922	47,312	48,062
3,349	Weathertight Services		2,878	2,989	5,166
1,338	Commerce and Consumer Affairs: Consumer Advocacy Council for Small Electricity Consumers		1,458	1,597	1,597
2,246	Commerce and Consumer Affairs: Consumer Information		2,257	2,333	2,369
3,187	Commerce and Consumer Affairs: Insurance Claims Resolution		7,751	9,180	6,465
24,396	Commerce and Consumer Affairs: Official Assignee Functions		24,553	25,858	20,394
34,865	Commerce and Consumer Affairs: Registration and Granting of Intellectual Property Rights		37,559	38,137	37,824
45,710	Commerce and Consumer Affairs: Registration and Provision of Statutory Information		39,692	42,358	45,697
7,584	Commerce and Consumer Affairs: Standards Development and Approval		7,400	7,869	7,780
7,260	Commerce and Consumer Affairs: Trading Standards		7,251	7,399	6,984
12,598	Communications: Management and Enforcement of the Radiocommunications Act 1989		11,928	19,690	12,377
15,731	Communications: Management of Emergency Telecommunications Capabilities		11,980	22,613	16,113
729	Economic and Regional Development: Developing a Circular Economy and Bioeconomy Strategy		1,009	1,964	1,964
537	Police: Administration of the Retail Crime Subsidy Scheme		879	939	1,105
3,282	Immigration – Regulation of Immigration Advisers		3,397	3,944	4,007
227,229	Total departmental output expenditure		222,052	250,527	235,097
Multi-category expenses and capital expenditure					
51,620	Building Policy, Regulation and Advice MCA		58,865	63,852	58,747
<i>Departmental output expenses</i>					
43,496	› Building Regulation and Control		50,100	50,248	49,800
8	› Executive Functions and Building System Support		11	90	90
8,116	› Policy Advice and Related Services to Ministers – Building and Construction		7,928	12,904	8,847
<i>Non-departmental output expenses</i>					
–	› Supporting the performance of statutory boards	2	826	610	10

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
345	Residential Earthquake-Prone Building Support Services MCA		962	5,060	3,269
	<i>Departmental Output Expenses</i>				
73	› Earthquake-Prone Building Remediation Support Service		650	2,997	1,769
	<i>Non-Departmental Other Expenses</i>				
272	› Delivery and Administration of the Residential Earthquake-Prone Building Financial Assistance Scheme		312	2,063	1,500
42,211	Commerce and Consumer Affairs: Enforcement of General Market Regulation MCA	1	53,826	53,826	53,219
	<i>Non-departmental output expenses</i>				
11,879	› Enforcement of Competition Regulation		12,075	12,075	12,075
19,123	› Enforcement of Consumer Regulation		20,892	20,892	20,892
–	› Grocery Industry Monitoring and Enforcement		7,286	7,286	6,979
5,319	› Liquid Fuels Monitoring and Enforcement		5,775	5,775	5,775
4,577	› Retail Payment Systems Administration and Enforcement		5,111	5,111	5,111
1,313	› Transition and Implementation of Economic Regulation and Consumer Protection Regime of Three Waters		2,687	2,687	2,387
8,044	Commerce Commission Litigation Funds MCA	1	9,028	12,612	12,612
	<i>Non-departmental other expenses</i>				
2,623	› Commerce Commission Externally-Sourced Litigation		2,916	6,500	6,500
5,421	› Commerce Commission Internally-Sourced Litigation		6,112	6,112	6,112
4,999	Communications: Services for Deaf, Hearing Impaired and Speech Impaired People MCA		5,374	5,584	5,584
	<i>Non-departmental output expenses</i>				
–	› Administrative Support for Telecommunications Relay Equipment and Services	2	–	139	139
	<i>Non-departmental other expenses</i>				
4,999	› Telecommunications Development Levy Funded Procurement – Deaf Relay Service TSO		5,374	5,280	5,280
	<i>Non-departmental capital expenditure</i>				
–	› Acquisition of Relay Equipment		–	165	165
11,700	Emergency Management: Services for Hazards Management MCA	10	31,800	31,800	31,800
	<i>Non-Departmental Output Expenses</i>				
8,700	› Services for Hazards Management		25,100	25,100	25,100
	<i>Non-departmental capital expenditure</i>				
3,000	› Capital to Support Services for Hazards Management		6,700	6,700	6,700
23,104	Policy Advice and Related Services to Ministers MCA		22,393	24,470	23,725
	<i>Departmental output expenses</i>				
586	› Investigative Services – Trade Remedies		674	570	570
13,805	› Policy Advice and Related Services to Ministers – Commerce and Consumer Affairs		13,406	15,601	15,076
6,059	› Policy Advice and Related Services to Ministers – Digital Economy and Communications		6,377	6,235	6,015
2,654	› Policy Advice and Related Services to Ministers – Small Business		1,936	2,064	2,064

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
67,618	Services and Advice to Support Well-functioning Financial Markets MCA	3	71,062	71,234	69,672
	<i>Non-departmental output expenses</i>				
17,888	› Performance of Investigation and Enforcement Functions		17,888	17,888	17,888
24,956	› Performance of Licensing and Compliance Monitoring Functions		28,400	28,401	27,010
24,774	› Performance of Market Analysis and Guidance, Investor Awareness, and Regulatory Engagement Functions		24,774	24,945	24,774
16,860	Small Business: Digital Enablement of Small Business MCA		2,490	2,499	7,960
	<i>Departmental output expenses</i>				
1,047	› Small Business: Digital Enablement Programme Design, and Management		166	160	1,000
	<i>Non-departmental output expenses</i>				
15,813	› Small Business: Digital Enablement Small Business and Provider Funding and Services		2,324	2,339	6,960
882	Small Business: Business and Wellbeing Support MCA		147	168	1,150
	<i>Departmental output expenses</i>				
151	› Delivery of business and wellbeing support services Non-Departmental Output Expenses		31	49	150
731	› Wellbeing Support for businesses		116	119	1,000
	– Small Business Enabling Services MCA		32,399	36,044	–
	<i>Departmental output expenses</i>				
	– › Operational Support of the Regional Business Partner Network		2,205	2,693	–
	– › Services Supporting Small Business		15,081	15,914	–
	<i>Non-Departmental Output Expenses</i>				
	– › Business and Wellbeing Support		832	881	–
	– › Digital Enablement of Small Business		4,811	5,121	–
	– › Services to Support the Growth and Development of New Zealand Businesses		9,470	11,435	–
227,383	Total multi-category expenses and capital expenditure		288,346	307,149	267,738
454,612	Total expenditure		510,398	557,676	502,835

Our Services, Non-Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental output expenses					
8,627	Commerce and Consumer Affairs: Accounting and Assurance Standards Setting	4	8,730	8,730	8,730
1,494	Commerce and Consumer Affairs: Administration of the Takeovers Code	5	1,494	1,494	1,494
2,569	Commerce and Consumer Affairs: Competition Studies	2	3,399	3,515	2,965
–	Commerce and Consumer Affairs: Economic Regulation Inquiries	1	–	1,000	–
379	Commerce and Consumer Affairs: Enforcement of Dairy Sector Regulation and Auditing of Milk Price Setting	2	–	–	–
445	Commerce and Consumer Affairs: Enforcement of Dairy Sector Regulation and Monitoring of Milk Price Setting	1	1,570	2,348	2,348
3,576	Commerce and Consumer Affairs: Grocery Sector Regulation		–	–	–
648	Commerce and Consumer Affairs: Regulation of Airport Services (2019-2024) – MYA	1	812	1,090	1,268
8,622	Commerce and Consumer Affairs: Retirement Commissioner	11	8,622	8,622	8,622
5,055	Commerce and Consumer Affairs: Review of Commerce Act Input Methodologies for Economic Regulation for the Period 2021-2024 – MYA	1	2,528	2,528	1,983
5,780	Communications: Addressing Māori Interests in Radio Spectrum	8	14,250	14,250	–
–	Communications: Emergency Telecommunications Services	8	–	1,064	1,064
12,043	Communications: Regulation of Telecommunications Services 2022-2025 – MYA	1	16,841	18,244	15,787
15,000	Communications: Rural Connectivity	12	35,000	35,000	35,000
–	Digital Economy and Communications: 3.5 GHz rural and regional connectivity initiatives – MYA	12	17,000	17,000	25,200
3,249	Police: Retail Crime Subsidy Scheme	13	6,968	10,400	2,750
67,487	Total non-departmental output expenses		117,214	125,285	107,211
Non-departmental other expenses					
–	Payments in respect of the Weathertight Services Loan Guarantees PLA	2	–	1,200	1,200
160	Residential Earthquake-Prone Buildings Financial Assistance Scheme: Delivery and Administration of the Loan Scheme for Earthquake-Prone Buildings	14	–	–	–
–	Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair Value Write-down (2020-2024) – MYA	2	–	–	2,400
1,573	Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package	2	1,268	1,659	1,659
3,000	Commerce and Consumer Affairs: Financial Markets Authority Litigation Fund	3	4,900	5,000	5,000
–	Commerce and Consumer Affairs: Takeovers Panel Litigation Fund	5	–	200	200
723	Energy and Resources: Fair Value Write-down on Loans and Investments	7	445	500	500
5,456	Total non-departmental other expenses		6,613	8,559	10,959

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental capital expenditure					
	- Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake-Prone Buildings (2020-2024) – MYA	14	-	-	7,500
10,000	Communications: Connectivity Infrastructure Investment		-	-	-
	- Communications: Radio Spectrum Management Rights – Capital	7	-	165,600	-
485	Investment in the Financial Markets Authority	2	-	-	1,391
10,485	Total non-departmental capital expenditure		-	165,600	8,891
83,428	Total non-departmental annual and MYA expenses		123,827	299,444	127,061
538,040	Total expenditure for outcome		634,225	857,120	629,896

Location of year-end performance information:

1. Commerce Commission's annual report
2. Exemption granted under section 15D(2)(b) (iii) of the *Public Finance Act 1989*
3. Financial Markets Authority's annual report
4. External Reporting Board's annual report
5. Takeovers Panel's annual report
6. Minister of Commerce and Consumer Affairs in the Vote Business, Science and Innovation non-departmental appropriations report
7. Exemption granted under section 15D(2)(b) (ii) of the *Public Finance Act 1989*
8. Minister for Media and Communications in the Vote Business, Science and Innovation non-departmental appropriations report
9. Crown Infrastructure Partners' annual report
10. Minister for Emergency Management in the Vote Business, Science and Innovation non-departmental appropriations report
11. Te Ara Ahunga Ora Retirement Commission's annual report
12. Crown Infrastructure Partners' annual report
13. Minister for Police in the Vote Business, Science and Innovation non-departmental appropriations report
14. Minister for Building and Construction in the Vote Building and Construction

Multi-Year Appropriation

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Commerce and Consumer Affairs: Regulation of Airport Services (2019-2024) – MYA		
Original appropriation	2,763	2,763
Cumulative adjustments	–	–
Total adjusted appropriation	2,763	2,763
Cumulative actual expenditure 1 July	1,673	1,025
Current year actual expenditure	812	648
Cumulative actual expenditure 30 June	2,485	1,673
Appropriation remaining 30 June	278	1,090
Commerce and Consumer Affairs: Review of Commerce Act Input Methodologies for Economic Regulation for the Period 2021-2024 – MYA		
Original appropriation	8,000	8,000
Cumulative adjustments	–	–
Total adjusted appropriation	8,000	8,000
Cumulative actual expenditure 1 July	5,472	417
Current year actual expenditure	2,528	5,055
Cumulative actual expenditure 30 June	8,000	5,472
Appropriation remaining 30 June	–	2,528
Communications: Regulation of Telecommunications Services 2022-2025 – MYA		
Original appropriation	64,074	64,074
Cumulative adjustments	(18,000)	(18,000)
Total adjusted appropriation	46,074	46,074
Cumulative actual expenditure 1 July	12,043	–
Current year actual expenditure	16,841	12,043
Cumulative actual expenditure 30 June	28,884	12,043
Appropriation remaining 30 June	17,190	34,031

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Digital Economy and Communications: 3.5 GHz rural and regional connectivity initiatives – MYA		
Original appropriation	72,000	72,000
Cumulative adjustments	–	–
Total adjusted appropriation	72,000	72,000
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	17,000	–
Cumulative actual expenditure 30 June	17,000	–
Appropriation remaining 30 June	55,000	72,000
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Fair Value Write-down (2020–2024) – MYA		
Original appropriation	4,800	4,800
Cumulative adjustments	(4,800)	1,300
Total adjusted appropriation	–	6,100
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	–	6,100
Residential Earthquake-Prone Buildings Financial Assistance Scheme: Loan Scheme for Earthquake-Prone Buildings (2020–2024) – MYA		
Original appropriation	10,000	10,000
Cumulative adjustments	(10,000)	–
Total adjusted appropriation	–	10,000
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	–	10,000

Outcome 4: Strong and Resilient Economy and Value Driven from Natural Resources

Overview (full view on page 26)

Expenditure	Our Outcomes*	Performance Measures
Departmental \$46 million	+ Greenhouse gas emissions from electricity generation	Achieved 12/20 Milestones 2/6
Non-Departmental \$420 million	+ Sustainable national energy system = Efficient national energy system + Efficient productivity	Quality 2/4 Satisfaction 1/2 Timeliness 5/6 Volume 2/2

*Key: + Positive shift – Negative shift = Unchanged

Outcome Measures

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
4.01	Reduce greenhouse gas emissions from electricity generation	Greenhouse gas emissions from electricity generation	MBIE Quarterly Electricity and Liquid Fuel Emissions Data	Kilotonnes carbon dioxide equivalent (kt CO ₂ -e)	Positive
<p>New Zealand's greenhouse gas emissions from electricity generation in the 2023 calendar year (Jan-Dec) were 3060.569 kt CO₂-e. This was a -6% drop from 3246.986 kt in 2022. The 2023 result is the lowest figure recorded in the past ten years and follows a downward trend. Emissions from electricity generation have been trending down since 2006 as continued growth in renewable energy sources has led to a lower reliance on gas and coal-fired generation¹.</p> <p>The electricity generation emissions data is used by the Ministry for the Environment to compile the New Zealand Greenhouse Gas Inventory, using internationally agreed guidelines produced by the Intergovernmental Panel on Climate Change.</p> <p>Note: this measure was revised in MBIE's Strategic Intentions 2023-2028 to focus on electricity generation rather than overall emissions (which takes in areas outside of MBIE's portfolio responsibilities).</p>					
4.02	Increase sustainability of Aotearoa New Zealand's energy system	Percentage of modern renewables in total final energy consumption	MBIE Energy Statistics	%	Positive
<p>New Zealand's share of modern renewables in total final consumption* was 30.3% in the 2022 calendar year. This is a 1.8% increase on the 2021 calendar year result of 28.6%. The share of renewable energy in final consumption has steadily increased across most sectors, helped by the share of electricity generation from renewable sources (exceeding 80% in most years).</p> <p>*Modern renewables refers to the direct use of renewables plus the amount of electricity use that is allocated to renewables, calculated by applying the renewable share of electricity generation to total final consumption of electricity.</p>					

¹ The estimated level of greenhouse gas (GHG) emissions is based on electricity generation data combined with known and estimated emission factors for different types of generation (coal, gas, geothermal, and other fuels.) It is the culmination of data from legally required electricity generation submissions, direct data requests, and Emissions Trading Scheme returns. The processes and assumptions that underpin the calculations on GHG emissions are reviewed bi-annually by an Expert Review Team operating under the authority of the UN Framework Convention on Climate Change.

There is a level of inherent uncertainty in estimating greenhouse gas emissions. The uncertainty in the level of the 2022 annual emissions estimate for the energy sector is ±1.8%. The uncertainty in the trend of energy sector emissions from 1990 to 2023 is ±2.9%

The scientific knowledge and methodologies to determine emissions factors and the processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards. Uncertainty estimates are an essential element of a complete inventory. The purpose of uncertainty information is not to dispute the validity of the inventory estimates but to help prioritise efforts to improve the accuracy of inventories and guide decisions on methodological choice. For more information on Aotearoa New Zealand GHG emissions, including inventory uncertainties, the methodology of data collection and analysis, and assumptions used in the calculation, refer to New Zealand's Greenhouse Gas Inventory 1990-2022 (Ministry for the Environment, 2024).

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
4.03	Increase efficiency of Aotearoa New Zealand's energy system	Energy intensity (based on mega joules per dollar of GDP in real 2009/10 prices)	MBIE Energy Statistics; Stats NZ Gross Domestic Product	MJ/\$GDP	Flat/Stable
<p>The long-term decrease in national energy intensity levels flattened in 2023 and is unchanged from the 2022 figure at 1.97MJ of energy expended for each dollar of GDP. This result is mainly due to a slowing of GDP growth, particularly in relation to the commercial sector. The commercial sector is a primary factor in the national energy intensity calculation, due to its large contribution to national GDP and is low energy intensity.</p>					
4.04	Increase economic productivity	Gross domestic product per hour worked	Organization for Economic Co-operation and Development (OECD) Productivity Statistics	NZ\$	Positive
<p>The gross domestic product (GDP) per hour worked was estimated to be \$80.68 (current prices) for 2023. This compares to \$78.51 in 2022. GDP per hour worked has increased 36% since 2013, down from 43% growth the decade prior (2003-2013). Data sourced from the OECD is reported as an estimated figure.</p>					



Achieved 12 out of 20 output performance targets

Outcome Measures

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Energy and Resources: Information Services This appropriation is intended to achieve the provision of information and technical advice on energy and resources.	New Zealand's obligations for reporting energy information to international organisations, including the International Energy Agency, Asia-Pacific Economic Cooperation and United Nations Framework Convention on Climate Change are met to an agreed standard	All international requirements are met	All international requirements are met	All international requirements are met
	Statistical releases are free from significant errors	100%	100%	100%
	Statistical releases are published on the advertised date	100%	100%	100%
Energy and Resources: Management of the Crown Mineral Estate This appropriation is intended to achieve the efficient allocation and management of Crown-owned petroleum and mineral resources.	Iwi are consulted with on all relevant applications within their rohe and provided with a minimum of 20 working days to respond	100%	100%	New Measure for 2023/24
	Percentage of Annual Review Meetings are conducted for all petroleum permits and licenses	60%	86% ²	New Measure for 2023/24
	Percentage of minerals applications that are granted or declined within 120 working days	80%	40% ³	53%

² The year-end result has exceeded the target. The Ministry responded to greater levels of demand due to the interest in the sector around decommissioning policies.

³ The year-end result has not met the target. There has been a historical backlog which has impacted the target. To address this, between February and June 2024, the Ministry carried out a temporary permitting sprint to resolve 'historical applications' (those received prior to July 2023), with the aim of addressing a backlog in the applications queue. This sprint had a temporary flow on impact on more recent applications (those received after July 2023). Having addressed the 'historical applications', and through introducing other system changes, the Ministry expects the variance will be temporary and a greater proportion of applications will be assessed in line with the performance measure.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Energy and Resources: Monitoring and Enforcement of an Energy and Emissions Reporting Scheme For Large Energy Users This appropriation is intended to achieve effective implementation of and high levels of compliance with an energy and greenhouse gas emissions reporting scheme for large energy users.	Percentage of large energy-using businesses reporting energy and emissions data to the standards defined in the reporting legislation	80%	Not reported ⁴	New Measure for 2023/24
Energy and Resources: Supporting Decommissioning of Oil Fields This appropriation is intended to achieve the efficient management of planning, compliance, demobilisation and decommissioning activities.	Number of milestones being assessed and completed by 30 June 2023 and by 30 June 2024	3	2 ⁵	3
Energy and Resources: Renewable Energy in Communities and Public and Māori housing MCA This appropriation is intended to achieve the improvement of energy affordability and resilience in New Zealand communities through renewable and sustainable energy solutions and innovation.	Number of projects contracted by 30 June 2024	40	34 ⁶	New Measure for 2023/24
<i>Operational Support</i> This category is intended to achieve the operational support for improvement of energy affordability and resilience through renewable energy solutions and innovation for New Zealand communities.	Percentage of progress achieved in designing the fund structure by June 2024	50%	30% ⁷	New Measure for 2023/24
<i>Provision of funding for purchase of renewable energy solutions</i> This category is intended to achieve the provision of renewable energy solutions for organisations or individuals, designed to promote improved resilience and energy affordability in New Zealand communities or the award of grants to support renewable energy solutions and innovation.	Number of projects contracted by 30 June 2024	40	34 ⁸	New Measure for 2023/24
<i>Equity Investments</i> This category is intended to achieve the improvement of energy affordability through the procurement of renewable energy capital assets on government owned housing.	Number of Public Houses and/or communities recruited for the evaluation	40	48 ⁹	New Measure for 2023/24
	Percentage of houses surveyed where the electricity bill reduced as a result of renewable energy technology installed	At least 90% of houses surveyed/evaluated	Not reported ¹⁰	New Measure for 2023/24

4 This performance result is not reported. Due to changes in government priorities, policy and funding to support this programme have been discontinued.

5 Final project close-out component is still open as of 30 June 2024.

6 The year-end result has not met the target, due to delays in the approval to proceed with the relevant phase of the fund, resulting in a delay in contracting the projects.

7 The year-end result has not met the target. Due to changes in government priorities, the Community Renewable Energy Fund had to be redesigned to reflect the policies of the new government.

8 The year-end result has not met the target, due to delays in the approval to proceed with the relevant phase of the fund, resulting in a delay in contracting the projects.

9 The year-end result has exceeded the target. This is due to a higher number of households participating in the evaluation than anticipated. This will strengthen the results of the evaluation.

10 This performance result is not reported. Post-data will be collected one year after the pre-survey. As of 30 June 2024, 48 households have been recruited for the evaluation and 43 pre-surveys have been completed. The evaluation methodology involves 100 Kāinga Ora households.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Policy Advice and Related Services to Ministers MCA (Business, Science and Innovation) <i>Policy Advice and Related Services to Ministers – Energy and Resources</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	74% ¹¹	72%
	The satisfaction of the Minister for Resources with the policy advice service, as per the common satisfaction survey ¹²	Average score of 4 out of 5 or better	4.5 ¹³	4.0
	The satisfaction of the Minister for Energy with the policy advice service, as per the common satisfaction survey ¹¹	Average score of 4 out of 5 or better	3.8 ¹⁴	4.0
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	99% ¹⁵	95%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹⁴	95%
	Parliamentary questions	95% or above	100% ¹⁶	87%

11 Following the 2023 General Election and subsequent portfolio changes, the former Energy and Resources portfolio was divided into separate Energy and Resources portfolios. This result includes the former and current portfolios.

12 In the Estimates documents, the ministerial satisfaction measure is defined as "The satisfaction of the Minister of Energy and Resources with the policy advice service, based on the common satisfaction survey". Following the 2023 General Election and subsequent portfolio changes, the former Energy and Resources portfolio was divided into separate Energy and Resources portfolios, each overseen by different ministers since November 2023. To accurately reflect our operations, we are reporting the satisfaction levels for both ministers individually.

13 The Ministry achieved a 15% increase in performance for 2023/24, driven by its efforts to better understand how it can best support its ministers.

14 The Ministry is working on continuous improvement to address remaining gaps and meet the target for 2024/25. The Minister has responded to one of two satisfaction surveys, this result is based on the information from the one survey completed during 2023/24, covering the period from April to June 2024. For further information refer to the ministerial satisfaction measures within the Disclosure of Judgements section of this report.

15 Following the 2023 General Election and subsequent portfolio changes, the former Energy and Resources portfolio was divided into separate Energy and Resources portfolios. This result includes the former and current portfolios.

16 Following the 2023 General Election and subsequent portfolio changes, the former Energy and Resources portfolio was divided into separate Energy and Resources portfolios. This result includes the former and current portfolios. The Ministry achieved a 13% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

How Much We Spent

Actual 2022/23 \$000	Our expenditure summary	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
41,193	Departmental expenses	45,748	58,017	55,695
303,358	Non-departmental expenses	401,260	560,057	562,388
-	Departmental capital	-	-	-
9,622	Non-departmental capital	19,133	30,485	21,023
354,173	Total expenditure for outcome	466,141	648,559	639,106

Our Services and Functions, Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Departmental outputs					
2,350	Energy and Resources: Information Services		2,186	3,913	3,035
20,209	Energy and Resources: Management of the Crown Mineral Estate		24,842	27,544	26,644
-	Energy and Resources: Monitoring and Enforcement of an Energy and Emissions Reporting Scheme For Large Energy Users		88	1,225	1,225
1,735	Energy and Resources: Supporting Decommissioning of Oil Fields (2021-2025) – MYA		1,317	4,500	2,888
24,294	Total departmental output expenditure		28,433	37,182	33,792
Multi-category expenses and capital expenditure					
7,968	Energy and Resources: Renewable Energy in Communities and Public and Māori housing MCA		11,224	27,736	21,958
<i>Non-departmental output expenses</i>					
201	› Operational Support		-	-	390
7,767	› Provision of Funding for Purchase of Renewable Energy Solutions		11,224	23,276	17,108
<i>Non-departmental capital expenditure</i>					
-	› Equity Investments		-	4,460	4,460
16,899	Policy Advice and Related Services to Ministers MCA		17,315	20,835	21,903
<i>Departmental output expenses</i>					
16,899	› Policy Advice and Related Services to Ministers – Energy and Resources		17,315	20,835	21,903
24,867	Total multi-category expenses and capital expenditure		28,539	48,571	43,861
49,161	Total expenditure		56,972	85,753	77,653

Our Services, Non-Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental output expenses					
6,663	Commerce and Consumer Affairs: Regulation of Electricity Lines Services (2019-2024) – MYA	1	12,224	13,092	11,245
2,953	Commerce and Consumer Affairs: Regulation of Gas Pipelines Services (2019-2024) – MYA	1	2,927	4,027	3,168
11,671	Energy and Resources: Advice on Viable Energy Storage Projects (2020-2025) – MYA	2	2,173	2,977	–
92,073	Energy and Resources: Electricity Industry Governance and Market Operations	3	101,374	101,374	100,813
66,858	Energy and Resources: Energy Efficiency and Conservation	4	78,185	79,685	78,935
2,536	Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes (2018-2022) – MYA	4	–	–	–
2,385	Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes (2022-2027) – MYA		4,373	5,118	5,118
–	Energy and Resources: Implementation of the Grant Scheme for Warm, Dry, and Energy Efficient Homes 2023-2028 – MYA		–	3,549	3,549
13,403	Energy and Resources: Management of IEA Oil Stocks (2020-2024) – MYA	2	33,280	85,445	58,757
–	Energy and Resources: Managing the Security of New Zealand's Electricity Supply (2022-2027) – MYA	3	–	2,400	1,200
–	Energy and Resources: Meeting Crown Obligations (2021-2025) – MYA	6	321	4,537	–
30	Energy and Resources: Oil Field Decommissioning	2	–	–	–
198,572	Total non-departmental output expenses		234,857	302,204	262,785
Non-departmental other expenses					
22,634	Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry (2021-2025) – MYA	4	14,522	13,000	–
2,045	Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry (2022-2027) – MYA	4	42,256	80,568	149,045
–	Energy and Resources: Clean Heavy Vehicles Grants 2023-2028 – MYA		–	9,250	–
–	Energy and Resources: Crown Loans – Impairment of Debt	2	–	100	100
869	Energy and Resources: Electricity Litigation Fund	3	–	1,500	1,500
–	Energy and Resources: Establishing a Renewable Electricity System on Chatham Island		5,356	7,000	10,000
33,680	Energy and Resources: Grant Scheme for Warm, Dry Homes (2018-2022) – MYA	4	–	–	68,000

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
30,709	Energy and Resources: Grant Scheme for Warm, Dry Homes (2022-2027) – MYA	4	84,646	84,646	15,871
–	– Energy and Resources: Grant Scheme for Warm, Dry, and Energy Efficient Homes 2023-2028 – MYA	4	531	15,871	–
288	Energy and Resources: International Energy Agency Contribution	5	294	335	289
–	– Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022-2027 – MYA	7	–	1,000	1,000
–	– Energy and Resources: National New-Energy Development Centre	2	–	–	7,000
6,593	Energy and Resources: National New-Energy Development Centre (2022-2026) – MYA	7	7,000	7,007	–
–	– Energy and Resources: Public Electric Vehicle Charging Hubs and Infrastructure 2023-2028 – MYA	4	574	13,000	28,000
–	– Energy and Resources: Support for Household Access to Efficient Lighting 2023-2028 – MYA	4	–	1,300	1,300
96,818	Total non-departmental other expenses		155,179	234,577	282,105
	Non-departmental capital expenditure				
2,834	Energy and Resources: Crown Energy Efficiency	4	1,784	2,000	2,000
6,788	Energy and Resources: Crown Energy Efficiency – Capital Injection	7	17,349	24,025	14,563
9,622	Total non-departmental capital expenditure		19,133	26,025	16,563
305,012	Total non-departmental annual and MYA expenses		409,169	562,806	561,453
354,173	Total expenditure for outcome		466,141	648,559	639,106

Location of year-end performance information:

1. Commerce Commission's annual report
2. Minister of Energy and Resources in the Vote Business, Science and Innovation non-departmental appropriations report
3. Electricity Authority's annual report
4. Energy Efficiency and Conservation Authority's annual report
5. Exemption granted under section 15D(2)(b) (iii) of the *Public Finance Act 1989*
6. Minister of Resources in the Vote Business, Science and Innovation non-departmental appropriations report
7. Minister of Energy and Resources in the Vote Business, Science and Innovation non-departmental appropriations report

Multi-Year Appropriation

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Commerce and Consumer Affairs: Regulation of Electricity Lines Services (2019-2024) – MYA		
Original appropriation	28,311	28,311
Cumulative adjustments	10,254	10,254
Total adjusted appropriation	38,565	38,565
Cumulative actual expenditure 1 July	25,473	18,810
Current year actual expenditure	12,224	6,663
Cumulative actual expenditure 30 June	37,697	25,473
Appropriation remaining 30 June	868	13,092
Commerce and Consumer Affairs: Regulation of Gas Pipelines Services (2019-2024) – MYA		
Original appropriation	9,684	9,684
Cumulative adjustments	3,337	3,337
Total adjusted appropriation	13,021	13,021
Cumulative actual expenditure 1 July	8,994	6,041
Current year actual expenditure	2,927	2,953
Cumulative actual expenditure 30 June	11,921	8,994
Appropriation remaining 30 June	1,100	4,027
Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry (2021-2025) – MYA		
Original appropriation	69,000	69,000
Cumulative adjustments	–	–
Total adjusted appropriation	69,000	69,000
Cumulative actual expenditure 1 July	33,519	10,885
Current year actual expenditure	14,522	22,634
Cumulative actual expenditure 30 June	48,041	33,519
Appropriation remaining 30 June	20,959	35,481
Energy and Resources: Accelerating Energy Efficiency and Fuel Switching in Industry (2022-2027) – MYA		
Original appropriation	808,426	808,426
Cumulative adjustments	(482,000)	25,000
Total adjusted appropriation	326,426	833,426
Cumulative actual expenditure 1 July	2,045	–
Current year actual expenditure	42,256	2,045
Cumulative actual expenditure 30 June	44,301	2,045
Appropriation remaining 30 June	282,125	831,381
Energy and Resources: Advice on Viable Energy Storage Projects (2020-2025) – MYA		
Original appropriation	93,085	93,085
Cumulative adjustments	(64,083)	(433)
Total adjusted appropriation	29,002	92,652
Cumulative actual expenditure 1 July	26,025	14,354
Current year actual expenditure	2,173	11,671
Cumulative actual expenditure 30 June	28,198	26,025
Appropriation remaining 30 June	804	66,627

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Energy and Resources: Clean Heavy Vehicles Grants 2023-2028 – MYA		
Original appropriation	27,750	–
Cumulative adjustments	–	–
Total adjusted appropriation	27,750	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	27,750	–
Energy and Resources: Grant Scheme for Warm, Dry Homes (2018-2022) – MYA		
Original appropriation	–	132,240
Cumulative adjustments	–	126,150
Total adjusted appropriation	–	258,390
Cumulative actual expenditure 1 July	–	224,710
Current year actual expenditure	–	33,680
Cumulative actual expenditure 30 June	–	258,390
Appropriation remaining 30 June	–	–
Energy and Resources: Grant Scheme for Warm, Dry Homes (2022-2027) – MYA		
Original appropriation	68,000	68,000
Cumulative adjustments	47,355	47,355
Total adjusted appropriation	115,355	115,355
Cumulative actual expenditure 1 July	30,709	–
Current year actual expenditure	84,646	30,709
Cumulative actual expenditure 30 June	115,355	30,709
Appropriation remaining 30 June	–	84,646
Energy and Resources: Grant Scheme for Warm, Dry, and Energy Efficient Homes 2023-2028 – MYA		
Original appropriation	349,980	–
Cumulative adjustments	(85,109)	–
Total adjusted appropriation	264,871	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	531	–
Cumulative actual expenditure 30 June	531	–
Appropriation remaining 30 June	264,340	–
Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes (2018-2022) – MYA		
Original appropriation	–	10,260
Cumulative adjustments	–	6,749
Total adjusted appropriation	–	17,009
Cumulative actual expenditure 1 July	–	14,473
Current year actual expenditure	–	2,536
Cumulative actual expenditure 30 June	–	17,009
Appropriation remaining 30 June	–	–

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Energy and Resources: Implementation of the Grant Scheme for Warm, Dry Homes (2022-2027) – MYA		
Original appropriation	5,118	5,118
Cumulative adjustments	2,385	2,385
Total adjusted appropriation	7,503	7,503
Cumulative actual expenditure 1 July	2,385	–
Current year actual expenditure	4,373	2,385
Cumulative actual expenditure 30 June	6,758	2,385
Appropriation remaining 30 June	745	5,118
Energy and Resources: Implementation of the Grant Scheme for Warm, Dry, and Energy Efficient Homes 2023-2028 – MYA		
Original appropriation	31,837	–
Cumulative adjustments	(3,000)	–
Total adjusted appropriation	28,837	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	28,837	–
Energy and Resources: Low Emission Transport Fund Freight Decarbonisation Grants 2022-2027 – MYA		
Original appropriation	15,000	15,000
Cumulative adjustments	(14,000)	–
Total adjusted appropriation	1,000	15,000
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	1,000	15,000
Energy and Resources: Management of IEA Oil Stocks (2020-2024) – MYA		
Original appropriation	113,000	113,000
Cumulative adjustments	(34)	416
Total adjusted appropriation	112,966	113,416
Cumulative actual expenditure 1 July	27,521	14,118
Current year actual expenditure	33,280	13,403
Cumulative actual expenditure 30 June	60,801	27,521
Appropriation remaining 30 June	52,165	85,895
Energy and Resources: Managing the Security of New Zealand's Electricity Supply (2022-2027) – MYA		
Original appropriation	6,000	6,000
Cumulative adjustments	–	–
Total adjusted appropriation	6,000	6,000
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	6,000	6,000

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Energy and Resources: Meeting Crown Obligations (2021-2025) – MYA		
Original appropriation	84,344	84,344
Cumulative adjustments	(79,807)	–
Total adjusted appropriation	4,537	84,344
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	321	–
Cumulative actual expenditure 30 June	321	–
Appropriation remaining 30 June	4,216	84,344
Energy and Resources: National New-Energy Development Centre (2022-2026) – MYA		
Original appropriation	11,000	11,000
Cumulative adjustments	21,000	–
Total adjusted appropriation	32,000	11,000
Cumulative actual expenditure 1 July	10,993	–
Current year actual expenditure	7,000	10,993
Cumulative actual expenditure 30 June	17,993	10,993
Appropriation remaining 30 June	14,007	7
Energy and Resources: Public Electric Vehicle Charging Hubs and Infrastructure 2023-2028 – MYA		
Original appropriation	110,000	–
Cumulative adjustments	(15,000)	–
Total adjusted appropriation	95,000	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	574	–
Cumulative actual expenditure 30 June	574	–
Appropriation remaining 30 June	94,426	–
Energy and Resources: Support for Household Access to Efficient Lighting 2023-2028 – MYA		
Original appropriation	16,300	–
Cumulative adjustments	(15,000)	–
Total adjusted appropriation	1,300	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	–	–
Cumulative actual expenditure 30 June	–	–
Appropriation remaining 30 June	1,300	–
Energy and Resources: Supporting Decommissioning of Oil Fields (2021-2025) – MYA		
Original appropriation	9,804	9,804
Cumulative adjustments	(2,006)	(6)
Total adjusted appropriation	7,798	9,798
Cumulative actual expenditure 1 July	3,298	1,563
Current year actual expenditure	1,317	1,735
Cumulative actual expenditure 30 June	4,615	3,298
Appropriation remaining 30 June	3,183	6,500

Outcome 5: Dynamic Business Environment Fostering Innovation and International Connections

Overview (full view on page 29)

Expenditure	Our Outcomes*	Performance Measures
Departmental \$216 million	+ Export income – International collaboration on innovation	Achieved 29/37 Milestones 15/17 Quality 1/2 Satisfaction 2/4 Timeliness 8/10 Volume 3/4
Non-Departmental \$1,689 million	‡ Innovative business activity + Business research and development expenditure + Productive capital investment + Quality of foreign direct investment + Capital intensity + Early-stage capital investment	

Key*: + Positive shift – Negative shift = Unchanged ‡ Not comparable

Outcome Measures

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
5.01	Increase the value of exports	Total value of exports	SNZ Trade Dashboard	\$ billion	Positive
	The total value of New Zealand's exports for the year ended March 2024 was \$96.105 billion. This value is an increase of 2.2% compared to the year ended March 2023, which was \$94.073 billion.				
5.02	Increase in firms collaborating internationally for innovation	Percentage of firms collaborating internationally for innovation	SNZ Business Operations Survey	%	Negative
	The percentage of firms collaborating internationally for innovation in 2023 was 3%, a drop from 3.4% in 2021 and continuing the downward trend in this measure. This percentage is the lowest it has been since data collection began in 2007.				
5.03	Increase in firms reporting innovative activity	Firm innovation rate	SNZ Business Operations Survey	%	Not comparable
	The latest results for this measure are from the 2023 Business Operations Survey Innovation Module (Module B). The total innovation rate was 58%. Innovation rates prior to 2023 are not comparable with those collected in 2023, due to changes to the questionnaire. This indicator is a measure of the proportion of businesses that innovate. Innovation is broadly defined to include the development or introduction of any new or significantly improved activity for a business.				
5.04	Increased business research and development expenditure	Business expenditure on research and development as a percentage of GDP	SNZ Research & Development Survey	%	Positive
	Business expenditure on research and development as a percentage of GDP was provisionally 0.95% in 2023, an increase from 0.87% in 2022*. The dollar value of this expenditure increased by 17% from \$3.132 billion (revised figure) to \$3.672 billion. *This figure was revised up from 0.86%. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.				

ID	Performance Measure	Indicator	Source	Unit	2023/24 result
5.05	Increase productive capital investment	Proportion of net capital stock that is not residential	SNZ National Accounts	%	Positive
<p>The proportion of net capital stock that is not residential buildings was provisionally 57.1% in the year to March 2023, this is slightly higher than the proportion in 2022 of 57.0% (revised figure)*. This indicator has been stable for the past 10 years.</p> <p>*This figure has been revised up from 56.9%. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.</p>					
5.91	Improve the quality of foreign direct investment (FDI)	Potential direct economic impact (pDEI) multiplier: ratio of pDEI to total transaction value New Zealand Trade and Enterprise (NZTE) facilitates.	NZTE	Ratio of pDEI to total transaction value NZTE facilitates.	Positive
<p>The pDEI ratio for all investment deals completed during FY24 was 3.12 to 1. This meant there was the potential for \$3.12 of direct economic impact for every \$1 of investment. This was a 13% increase on the 2023 pDEI of 2.75.</p> <p>Note: Measure is additional to MBIE's <i>Strategic Intentions 2023-2028</i>.</p>					
5.97	Increase capital intensity	Net capital stock per capita	SNZ National Accounts	\$	Positive
<p>Net capital stock per capita was provisionally \$152,237.39 in the year to March 2023, increasing 1.2% on the previous year *. The five-year compound annual growth rate was 1.8% for the period 2018-2023, the same growth rate as for the 2017-2022 period.</p> <p>*The net capital stock per capita in the year to March 2022 has been revised down from \$150,500.87 to \$150,396.10. Revisions of statistical data typically occur when more updated information is available or provisional data is finalised.</p> <p>Note: Measure is additional to MBIE's <i>Strategic Intentions 2023-2028</i>.</p>					
5.99	Increase early stage capital investment	Capital investment in early stage companies	NZ Private Capital Monitor	\$m	Positive
<p>Venture and early-stage investment increased by 20% to \$384.4 million in 2023, up from \$319 million in 2022, with 28 more transactions than 2022.</p> <p>Note: Measure is additional to MBIE's <i>Strategic Intentions 2023-2028</i>.</p>					



Achieved 29 out of 37 output performance targets

Output Measures

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Communications: Cyber Security Services This appropriation is intended to achieve the operation of a New Zealand CERT to enhance New Zealand's cyber security and resilience and help prevent cybercrime.	Percentage of incidents responded to within 4 hours of being received during operating hours (based on the conditions outlined in CERT NZ's operational policies)	90%	Not reported ¹	91%
	Number of cyber threat landscape reports produced for public consumption	4	Not reported ¹	4
	Year on year increase in consumption of CERT NZ's content and services (measured by web traffic, social media engagement and advisory subscribers)	15%	Not reported ¹	5%
Communications: Pacific Cyber Security Initiatives This appropriation is intended to achieve the delivery of direct support to Pacific partners and through the Pacific Cybersecurity Operation Network (PaCSON), assist in the development of incident response capacity and cybersecurity awareness in the Pacific region, and to support cybersecurity capacity building in the Pacific, and the 'Pacific Reset.'	All deliverables are met	Achieved	Not reported ²	Achieved
Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business This appropriation is intended to achieve better public services and encourage business growth.	Percentage of participating agencies satisfied or very satisfied	70%	72% ³	72%
	Savings target across public sector agencies identified through the All of Government contract for the financial year	\$175 million	\$191.33 million ⁴	\$176.1 million
	Annual improvement in satisfaction rating for the quality of government procurement practice from the government procurement business survey	3.15 out of 5	2.8 out of 5 ⁵	Not reported
Public Service: Property Management within the State Sector This appropriation is intended to achieve improved property management practices across government	Number of capability uplift sessions including; Knowledge Hour sessions, Property Forums and publications released	6	6	New Measure for 2023/24

- This measure is not reported due to a change in organisational responsibility. The Ministry oversaw this appropriation for two months, while the measures and targets were designed for a full year. From 1 September 2023, the Computer Emergency Response Team (CERT NZ) functions and appropriations were transferred to the Government Cyber Security Bureau.
- This measure is not reported due to a change in organisational responsibility. The Ministry oversaw this appropriation for two months, while the measures and targets are designed for a full year. From 1 September 2023, Computer Emergency Response Team (CERT NZ) functions and appropriations were transferred to the Government Cyber Security Bureau. Performance information for this appropriation is missing in the 2023/24 Estimates documents and it should be as presented.
- The New Zealand Government Procurement Agency satisfaction survey collects data to measure the Ministry's progress and performance in delivering all of government (AoG) contracts. It is sent to mandated and non-mandated agencies that participate in all of government (AoG) contracts. SurveyMonkey was used to collect results. Agencies have to respond on a 5-point scale (1 = very dissatisfied to 5 = very satisfied) and only respond to the contracts they are actually participating in. The survey was completed by 5,260 recipients with a response rate of 8.2%. The result has a margin of error of ±4%, calculated at a 90% confidence level.
- The Ministry achieved an 8.6% increase in performance for 2023/24, by driving savings from all of government (AoG) contract spending on all government contracts. Since this savings target (\$175million) was set, participation has increased, leading to an increase in AoG contract spending. This, in turn, has led to an increase in reported savings.
- The total number of participants surveyed is not a fixed number, invitations are sent through multiple channels to promote the survey. Direct invitations were sent to around 20,000 to 30,000 businesses with a response rate of around 5%. The result has a margin of error of ±1%. Most of the core questions asked are on a five-point scale, providing a ranking from one to five. Survey results are calculated as an average and percentages of total responses in each ranking level.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Research, Science and Innovation: Departmental administration of in-year payments loans 2022-2026 This appropriation is intended to achieve efficient and effective management of the In-Year Payments Loans programme.	The Research and Development Tax Incentive In-Year Payments Loans programme has been successfully established following a procurement process	Achieved	Achieved	Achieved
Research, Science and Innovation: Innovative Partnerships This appropriation is intended to achieve the attraction of overseas investment in Research and Development to New Zealand.	Percentage of annual pipeline opportunities assessed within six months	100%	100%	100%
Research, Science and Innovation: National Research Information System This appropriation is intended to enhance the value of the government's expenditure on research, science and innovation by providing more accessible, accurate and timely information on New Zealand's research investments	Data infrastructure system is launched by December 2024	On Track	On Track ⁶	On Track
	Reporting tools are developed and additional funding agencies are on-boarded by December 2024	On Track	On Track ⁶	On Track
Tourism: International Visitor Conservation and Tourism Levy Collection This appropriation is intended to achieve the prompt payment of transaction fees for the International Visitor Conservation and Tourism Levy.	All bank fees incurred by the collection of the International Visitor Conservation and Tourism Levy are allocated accurately	100%	100%	100%
Ministry of Business, Innovation and Employment – Capital Expenditure PLA This appropriation is intended to achieve the implementation of the Ministry of Business, Innovation and Employment's capital expenditure plan.	Percentage of Ministry of Business, Innovation and Employment's projects delivered on time, scope and budget	85%	93%	85%

6 The development of a publicly accessible research database is crucial for tracking ongoing research initiatives in New Zealand. The Ministry is actively advancing this system, with contributions from the Royal Society Te Apārangi, the Health Research Council and the Ministry's Science System Investment and Performance branch, which has prepared data for integration. However, the launch of the data infrastructure has been rescheduled from June to December 2024. Additionally, the timeline for creating reporting tools and onboarding additional funding agencies has been shifted to December 2024. These changes are reflected in updated measures.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Policy Advice and Related Services to Ministers MCA (Business, Science and Innovation) <i>Policy Advice and Related Services to Ministers – Economic Development</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	71%	71%
	The satisfaction of the Minister for Economic Development with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	4.5	4.4
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	99% ⁷	71%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	98% ⁸	97%
	Parliamentary questions	95% or above	98% ⁹	90%
<i>Policy Advice and Related Services to Ministers – Research, Science, and Innovation</i> This category is intended to achieve the provision of high quality policy advice and support to Ministers and ensure Crown entities are appropriately monitored.	The satisfaction of the Minister of Research, Science and Innovation with the policy advice service, as per the common satisfaction survey	Average score of 4 out of 5 or better	3.2 ¹⁰	4.5
	Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	72% ¹¹	71%
	Ministers receive advice on entities' accountability documents within statutory timeframes	100%	100%	100%
	Percentage of requests completed within either specified or statutory timeframes:			
	Ministerial correspondence	95% or above	83% ¹²	94%
	Ministerial <i>Official Information Act 1982</i> requests	95% or above	100% ¹³	97%
	Parliamentary questions	95% or above	98% ¹⁴	87%

7 Following the 2023 General Election and subsequent portfolio changes, the former Economic and Regional Development portfolio was divided into separate Economic Development and Regional Development portfolios. This result includes the former and current portfolios. The Ministry achieved a 28% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

8 Following the 2023 General Election and subsequent portfolio changes, the former Economic and Regional Development portfolio was divided into separate Economic Development and Regional Development portfolios. This result includes the former and current portfolios.

9 Following the 2023 General Election and subsequent portfolio changes, the former Economic and Regional Development portfolio was divided into separate Economic Development and Regional Development portfolios. This result includes the former and current portfolios. The Ministry achieved an 18% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

10 The Ministry is working on continuous improvement to address remaining gaps and meet the target for 2024/25. The Minister has responded to one of two satisfaction surveys, this result is based on the information from the one survey completed during 2023/24, covering the period January to June 2024. For further information refer to the ministerial satisfaction measures within the Disclosure of Judgements section of this report.

11 This result also includes papers sent to the Minister for the Digital Economy and Communications and to the Minister for Media and Communications.

12 Fifty-five of the 66 Ministerial correspondence requests were sent on time. The target was not met due to a large increase in workload. The Ministry is working on ongoing enhancements to our systems and processes, which include providing additional training and improving reporting mechanisms to address remaining gaps and meet the target for 2024/25. Following the 2023 General Election and subsequent portfolio changes, the former Research, Science and Innovation portfolio changed to the Science, Innovation and Technology portfolio. This result includes the former and current portfolio as well as the new Space portfolios. Performance decreased by 11% in 2023/24, due to competing priorities and a significant increase in Ministerial correspondence of roughly 50% from 2022/23.

13 Following the 2023 General Election and subsequent portfolio changes, the former Research, Science and Innovation portfolio changed to the Science, Innovation and Technology portfolio. This result includes the former and current portfolios as well as the new Space portfolio.

14 Following the 2023 General Election and subsequent portfolio changes, the former Research, Science and Innovation portfolio changed to the Science, Innovation and Technology portfolio. This result includes the former and current portfolios as well as the new Space portfolio. The Ministry achieved a 12% increase in performance for 2023/24, driven by ongoing enhancements to its systems and processes, which included providing additional training and improving reporting mechanisms.

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
Research, Science and Innovation: Contract Management MCA This appropriation is intended to achieve efficient and effective management of the science and innovation system.	Contracts are monitored through agreed reporting programmes	Achieved	Achieved	Achieved
<i>Science and Innovation Contract Management</i> This category is intended to achieve the efficient and effective allocation and contracting of research, science and technology grants to maximise their returns to New Zealand.	Contracts are monitored through agreed reporting programmes	Achieved	Achieved	Achieved
<i>Research Contract Management</i> This category is intended to achieve the efficient and effective allocation and contracting of research, science and technology grants to maximise their returns to New Zealand.	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
Research, Science and Innovation: Strategic Science Investment Fund MCA This appropriation is intended to achieve the support of longer-term programmes of mission-led science that contribute to New Zealand's economy, environment and well-being; including the infrastructure that enables high-impact science.	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
<i>Strategic Science Investment Fund – Infrastructure</i> This category is intended to achieve access for researchers to resources and information that require national-scale, nationally-coordinated, multi-user financial support.	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
<i>Strategic Science Investment Fund – Programmes</i> This category is intended to achieve the support of longer-term programmes of mission-led science which contribute to the future of New Zealand's economy, environment and wellbeing.	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%

Vote Business, Science and Innovation		2023/24		2022/23
Appropriation	Performance measures	Target	Actual	Actual
<p><i>Strategic Science Investment Fund – Capital for Infrastructure</i></p> <p>This category is intended to achieve access for researchers to resources and information that require national-scale, nationally coordinated, multi-user financial support.</p>	Percentage of contracts that have been monitored and performance assessed within current timeframes	100%	100%	100%
<p>Research, Science and Innovation: Talent and Science Promotion MCA</p> <p>This appropriation is intended to achieve high-quality engagement between scientists and the public, contributing to the development of talented, skilled individuals and their organisations.</p>	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
<p><i>Fellowships for Excellence</i></p> <p>This category is intended to achieve an improvement in career development opportunities for New Zealand’s early to mid-career researchers.</p>	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
<p><i>Science in Society</i></p> <p>This category is intended to achieve the increased engagement by New Zealanders with science and technology.</p>	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	100%	100%	100%
<p><i>Vision Mātauranga Capability Fund</i></p> <p>This category is intended to achieve the development of skilled people and organisations undertaking research that supports the four themes of Vision Mātauranga.</p>	Percentage of contracts that have been monitored and performance assessed within agreed timeframes	95%	100%	95%

How Much We Spent

Actual 2022/23 \$000	Our expenditure summary	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
148,308	Departmental expenses	133,940	150,309	149,696
1,543,673	Non-departmental expenses	1,593,503	1,807,949	1,583,088
70,300	Departmental capital	81,798	103,270	66,665
57,749	Non-departmental capital	95,829	103,701	235,475
1,820,030	Total expenditure for outcome	1,905,070	2,165,229	2,034,924

Our Services and Functions, Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Departmental outputs					
13,936	Communications: Cyber Security Services		2,053	2,221	14,518
793	Communications: Pacific Cyber Security Initiatives (2020-2025) – MYA		222	226	–
45,589	Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business		33,645	38,890	41,343
12,906	Public Service: Property Management Services		26,549	29,965	17,221
8,832	Public Service: Property Management within the State Sector		8,001	8,482	7,208
563	Research, Science and Innovation: Departmental administration of in-year payments loans 2022-2026		458	600	1,000
2,697	Research, Science and Innovation: Innovative Partnerships		2,216	4,392	3,016
2,371	Research, Science and Innovation: National Research Information System		1,338	1,994	1,994
981	Tourism: International Visitor Conservation and Tourism Levy Collection		1,232	1,808	1,808
88,668	Total departmental output expenditure		75,714	88,578	88,108
Departmental capital					
70,300	Ministry of Business, Innovation and Employment – Capital Expenditure PLA		81,798	103,270	66,665
70,300	Total departmental capital		81,798	103,270	66,665

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Multi-category expenses and capital expenditure					
1,710	Energy and Resources: Investment in Infrastructure Projects MCA	2	12,202	39,583	5,000
<i>Non-departmental other expenses</i>					
1,710	› Grants to Support Infrastructure Investments	2	6,600	39,573	4,990
–	› Other Activities to Support Infrastructure Investments	2	–	10	10
<i>Non-departmental capital expenditure</i>					
–	› Loans and Equity Investments to Support Infrastructure Investments	3	5,602	–	–
39,825	Policy Advice and Related Services to Ministers MCA		39,069	41,521	42,030
<i>Departmental output expenses</i>					
26,926	› Policy Advice and Related Services to Ministers – Economic Development		22,804	29,428	30,187
12,899	› Policy Advice and Related Services to Ministers – Research, Science and Innovation		16,265	12,093	11,843
81,240	Research, Science and Innovation: Callaghan Innovation – Operations MCA	4	85,868	85,868	85,868
<i>Non-departmental output expenses</i>					
40,685	› Building Business Innovation	4	35,117	35,117	35,117
7,750	› Business Research and Development Contract Management	4	17,946	17,946	17,946
32,805	› Research and Development Services and Facilities for Business and Industry	4	32,805	32,805	32,805
30,501	Research, Science and Innovation: Contract Management MCA		29,490	30,551	29,479
<i>Departmental output expenses</i>					
19,815	› Science and Innovation Contract Management		19,157	20,210	19,558
<i>Non-departmental output expenses</i>					
10,686	› Research Contract Management		10,333	10,341	9,921
346,626	Research, Science and Innovation: Strategic Science Investment Fund MCA		334,668	352,812	354,062
<i>Non-departmental output expenses</i>					
64,841	› Strategic Science Investment Fund – Infrastructure		62,750	68,388	63,638
277,685	› Strategic Science Investment Fund – Programmes		271,918	278,324	284,324
<i>Non-departmental capital expenditure</i>					
4,100	› Strategic Science Investment Fund – Capital for Infrastructure		–	6,100	6,100

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
30,344	Research, Science and Innovation: Targeted Business Research and Development Funding MCA	4	8,896	8,897	15,000
	<i>Non-Departmental Output Expenses</i>				
307	› New to R&D Grant	4	–	–	10
16,083	› R&D Project Grant		–	–	–
13,954	› Student Grant	4	8,896	8,897	14,990
44,408	Research, Science and Innovation: Talent and Science Promotion MCA		32,059	36,506	38,518
	<i>Non-departmental output expenses</i>				
–	› Applied training for Research Talent		–	–	4,590
26,128	› Fellowships for Excellence		17,328	17,328	13,310
8,235	› Science in Society		4,845	9,028	10,468
5,752	› Vision Mātauranga Capability Fund		5,718	5,982	5,982
	<i>Non-departmental other expenses</i>				
1,400	› Expanding the Impact of Vision Mātauranga – Talent and Navigation		1,275	1,275	1,275
2,893	› Royal Society of New Zealand	3	2,893	2,893	2,893
750	Economic Development: Development of Early Stage Capital Markets MCA	10	750	750	750
	<i>Non-departmental output expenses</i>				
750	› Investment Fund Management	10	750	740	740
	<i>Non-departmental capital expenditure</i>				
–	› Aspire NZ Seed Fund	10	–	10	10
34,824	Support New Market Opportunities to Grow Firms and Sectors for the Benefit of New Zealand MCA	5	1,004	1,005	1,204
	<i>Non-departmental other expenses</i>				
34,046	› International Growth Fund	5	–	–	10
778	› Sector Strategies and Facilitation	5	1,004	1,005	1,194
198,122	Support the Growth and Development of New Zealand Firms, Sectors and Regions MCA	5	197,085	197,142	207,670
	<i>Non-departmental output expenses</i>				
6,086	› Collaborative Activity and Special Events	5	5,703	5,703	4,920
179,144	› International Business Growth Services	5	188,078	188,078	188,078
12,892	› Services to Support the Growth and Development of New Zealand Businesses	5	3,304	3,361	14,672
808,350	Total multi-category expenses and capital expenditure		741,091	794,635	779,581
967,318	Total expenditure		898,603	986,483	934,354

Our Services, Non-Departmental

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
Non-departmental output expenses					
	– Digital Economy and Communications: Funding to address Māori Interests in radio spectrum	11	8,000	8,000	–
750	Research, Science and Innovation: Embedding International Talent in the New Zealand Innovation Ecosystem		–	–	–
225,311	Research, Science and Innovation: Endeavour Fund	12	236,515	237,404	243,362
112,915	Research, Science and Innovation: Health Research Fund	12	124,989	124,989	117,489
	– Research, Science and Innovation: Innovation Trailblazer Grant 2023-2028 – MYA	4	9,263	12,774	6,250
78,545	Research, Science and Innovation: Marsden Fund	12	78,545	78,545	78,545
8,986	Research, Science and Innovation: National Measurement Standards	4	8,986	8,986	8,986
74,045	Research, Science and Innovation: National Science Challenges (2019-2024) – MYA	12	64,334	64,335	64,334
	– Research, Science and Innovation: New to R&D Grant 2023-2028 – MYA	4	3,690	10,000	15,625
60	Research, Science and Innovation: Non-departmental administration of in-year payments loans 2022-2026	3	1,612	1,750	1,200
	– Research, Science and Innovation: Student Grant	4	4,104	8,603	–
	– Research, Science and Innovation: R&D Project Grant 2023-2028 – MYA	13	2,348	5,000	5,000
12,862	Research, Science and Innovation: Founder and Startup Support (formerly known as Repayable Grants for Start-Ups)	4	2,294	2,860	2,717
22,937	Research, Science and Innovation: Partnered Research Fund	12	28,045	30,831	25,596
	– Research, Science and Innovation: Technology Incubator Programme 2023-2027 – MYA	4	10,217	17,154	14,886
8,339	Research, Science and Innovation: Transitional Support to Research and Development Performing Businesses	4	12,715	82,000	57,000
544,750	Total non-departmental output expenses		595,657	693,231	640,990
Benefits or related expenses					
Total benefits or related expenses					
Non-departmental other expenses					
1,300	Economic Development: Attracting International Screen Productions	1	1,300	1,300	1,300
12,543	Economic Development: International Growth Fund (2022-2027) – MYA	5	44,770	66,356	55,706
1,694	Economic Development: International Subscriptions and Memberships	3	1,687	1,760	1,760
178,053	Economic Development: New Zealand Screen Production Grant – International MYA (2021-2026) – MYA	7	212,674	220,493	92,032
19,750	Research, Science and Innovation: Catalyst Fund	12	31,557	31,751	35,751
5,017	Research, Science and Innovation: Innovation Development Grant		–	–	–
4,445	Research, Science and Innovation: Innovative Partnerships Strategic Facilitation Fund	12	6,343	5,953	4,000

Actual 2022/23 \$000	Appropriation name	Location of year-end performance information	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
	– Research, Science and Innovation: In-year payments fair value write-down and impairment – MYA	13	6,349	40,236	36,466
7,801	Research, Science and Innovation: Regional Research Institutes	6	–	–	–
23,710	Sport and Recreation: 2023 FIFA Women’s World Cup – MYA	9	15,903	20,075	3,200
254,313	Total non-departmental other expenses		320,583	387,924	230,215
	Non-departmental capital expenditure				
21,340	Research, Science and Innovation: Callaghan Innovation	4	22,900	22,900	24,240
30,000	Research, Science and Innovation: COVID-19: AgResearch Lincoln Facility Development – MYA		–	–	–
2,309	Research, Science and Innovation: In-year payments loans – MYA	12	40,327	47,691	205,125
	– Research, Science and Innovation: The New Zealand Institute for Plant and Food Research Limited Response and Recovery	12	17,000	17,000	–
	– Science, Innovation and Technology: Kenepuru Science Centre 2023-2026 – MYA	12	10,000	10,000	–
53,649	Total non-departmental capital expenditure		90,227	97,591	229,365
852,712	Total non-departmental annual and MYA expenses		1,006,467	1,178,746	1,100,570
1,820,030	Total expenditure for outcome		1,905,070	2,165,229	2,034,924

Location of year-end performance information:

1. New Zealand Film Commission’s annual report
2. Energy Efficiency and Conservation Authority’s annual report
3. Exemption granted under section 15D(2)(b) (iii) of the *Public Finance Act 1989*
4. Callaghan Innovation’s annual report
5. New Zealand Trade and Enterprise’s annual report
6. Minister of Research, Science and Innovation in the Vote Business, Science and Innovation non-departmental appropriations report
7. Minister for Economic Development in the Vote Business, Science and Innovation non-departmental appropriations report
8. Minister of Tourism in the Vote Business, Science and Innovation non-departmental appropriations report
9. Minister for Sport and Recreation in the Vote Business, Science and Innovation non-departmental appropriations report
10. New Zealand Growth Capital Partners Limited’s annual report
11. Minister for Media and Communications in the Vote Business, Science and Innovation non-departmental appropriations report
12. Minister of Science, Innovation and Technology in the Vote Business, Science and Innovation non-departmental appropriations report
13. Exemption granted under section 15D(2)(b) (ii) of the *Public Finance Act 1989*

Multi-Year Appropriation

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Communications: Pacific Cyber Security Initiatives (2020-2025) – MYA		
Original appropriation	604	604
Cumulative adjustments	1,256	1,288
Total adjusted appropriation	1,860	1,892
Cumulative actual expenditure 1 July	1,634	841
Current year actual expenditure	222	793
Cumulative actual expenditure 30 June	1,856	1,634
Appropriation remaining 30 June	4	258
Economic Development: International Growth Fund (2022-2027) – MYA		
Original appropriation	175,146	175,146
Cumulative adjustments	(5,764)	–
Total adjusted appropriation	169,382	175,146
Cumulative actual expenditure 1 July	12,543	–
Current year actual expenditure	44,770	12,543
Cumulative actual expenditure 30 June	57,313	12,543
Appropriation remaining 30 June	112,069	162,603
Economic Development: New Zealand Screen Production Grant – International MYA (2021-2026) – MYA		
Original appropriation	391,930	391,930
Cumulative adjustments	500,761	–
Total adjusted appropriation	892,691	391,930
Cumulative actual expenditure 1 July	318,493	140,440
Current year actual expenditure	212,674	178,053
Cumulative actual expenditure 30 June	531,167	318,493
Appropriation remaining 30 June	361,524	73,437
Research, Science and Innovation: COVID-19: AgResearch Lincoln Facility Development – MYA		
Original appropriation	–	45,000
Cumulative adjustments	–	–
Total adjusted appropriation	–	45,000
Cumulative actual expenditure 1 July	–	15,000
Current year actual expenditure	–	30,000
Cumulative actual expenditure 30 June	–	45,000
Appropriation remaining 30 June	–	–
Research, Science and Innovation: Innovation Trailblazer Grant 2023-2028 – MYA		
Original appropriation	71,800	–
Cumulative adjustments	5,639	–
Total adjusted appropriation	77,439	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	9,263	–
Cumulative actual expenditure 30 June	9,263	–
Appropriation remaining 30 June	68,176	–

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Research, Science and Innovation: In-year payments fair value write-down and impairment – MYA		
Original appropriation	187,236	187,236
Cumulative adjustments	(147,000)	–
Total adjusted appropriation	40,236	187,236
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	6,349	–
Cumulative actual expenditure 30 June	6,349	–
Appropriation remaining 30 June	33,887	187,236
Research, Science and Innovation: In-year payments loans – MYA		
Original appropriation	583,500	583,500
Cumulative adjustments	(533,500)	–
Total adjusted appropriation	50,000	583,500
Cumulative actual expenditure 1 July	2,309	–
Current year actual expenditure	40,327	2,309
Cumulative actual expenditure 30 June	42,636	2,309
Appropriation remaining 30 June	7,364	581,191
Research, Science and Innovation: National Science Challenges (2019-2024) – MYA		
Original appropriation	470,175	470,175
Cumulative adjustments	(47,674)	(47,674)
Total adjusted appropriation	422,501	422,501
Cumulative actual expenditure 1 July	358,166	284,121
Current year actual expenditure	64,334	74,045
Cumulative actual expenditure 30 June	422,500	358,166
Appropriation remaining 30 June	1	64,335
Research, Science and Innovation: New to R&D Grant 2023-2028 – MYA		
Original appropriation	112,500	–
Cumulative adjustments	3,481	–
Total adjusted appropriation	115,981	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	3,690	–
Cumulative actual expenditure 30 June	3,690	–
Appropriation remaining 30 June	112,291	–
Research, Science and Innovation: R&D Project Grant 2023-2028 – MYA		
Original appropriation	5,000	–
Cumulative adjustments	2,500	–
Total adjusted appropriation	7,500	–
Cumulative actual expenditure 1 July	–	–
Current year actual expenditure	2,348	–
Cumulative actual expenditure 30 June	2,348	–
Appropriation remaining 30 June	5,152	–

Appropriation name	Actual 2023/24 \$000	Actual 2022/23 \$000
Research, Science and Innovation: Technology Incubator Programme 2023-2027 – MYA		
Original appropriation	59,544	-
Cumulative adjustments	16,897	-
Total adjusted appropriation	76,441	-
Cumulative actual expenditure 1 July	-	-
Current year actual expenditure	10,217	-
Cumulative actual expenditure 30 June	10,217	-
Appropriation remaining 30 June	66,224	-
Science, Innovation and Technology: Kenepuru Science Centre 2023-2026 – MYA		
Original appropriation	25,000	-
Cumulative adjustments	-	-
Total adjusted appropriation	25,000	-
Cumulative actual expenditure 1 July	-	-
Current year actual expenditure	10,000	-
Cumulative actual expenditure 30 June	10,000	-
Appropriation remaining 30 June	15,000	-
Sport and Recreation: 2023 FIFA Women's World Cup – MYA		
Original appropriation	39,100	39,100
Cumulative adjustments	4,685	7,050
Total adjusted appropriation	43,785	46,150
Cumulative actual expenditure 1 July	23,710	-
Current year actual expenditure	15,903	23,710
Cumulative actual expenditure 30 June	39,613	23,710
Appropriation remaining 30 June	4,172	22,440

Policy Advice and Related Services to Ministers MCA – Vote Business, Science and Innovation

Actual 2022/23 \$000	Appropriation name	Actual 2023/24 \$000	Supplementary Estimates 2023/24 \$000	Main Estimates 2023/24 \$000
	Policy Advice and Related Services to Ministers MCA – Vote Business, Science and Innovation			
	Departmental output expenses			
586	› Investigative Services – Trade Remedies	674	570	570
13,805	› Policy Advice and Related Services to Ministers – Commerce and Consumer Affairs	13,406	15,601	15,076
6,059	› Policy Advice and Related Services to Ministers – Communications	22,804	6,235	6,015
26,926	› Policy Advice and Related Services to Ministers – Economic Development	17,315	29,428	30,187
16,899	› Policy Advice and Related Services to Ministers – Energy and Resources	6,377	20,835	21,903
12,899	› Policy Advice and Related Services to Ministers – Research, Science and Innovation	16,265	12,093	11,843
2,654	› Policy Advice and Related Services to Ministers – Small Business	1,936	2,064	2,064
8,167	› Policy Advice and Related Services to Ministers – Tourism	4,577	11,533	5,806
87,995	Total Policy Advice and Related Services to Ministers MCA – Vote Business, Science and Innovation	83,354	98,359	93,464

Asset performance indicators for MBIE

MBIE's assets support its ability to deliver successfully against its strategic intentions. MBIE manages two major asset portfolios of Property and Information and Communications Technology (ICT).

Asset portfolio	Asset classes within MBIE's portfolio
Property	Non-residential buildings
ICT	Computer hardware and computer software

Portfolio management is in place across MBIE asset and investment management, with three portfolios:

- › Immigration New Zealand
- › Te Whakatairanga Service Delivery/Labour, Science and Enterprise/Building Resources and Markets
- › Corporate.

In line with Circular 23(9) Investment Management and Asset Performance in Departments and Other Entities, which came into effect last year, MBIE is continuing to strengthen its asset management approach. It is updating its information on critical services and the assets required to support these. An updated asset register and enterprise asset management plan will be prepared following this work.

Property asset performance measures

The measures relate to staff-occupied properties and make sure they are being well managed and heading towards achieving the targets.

Measure	Indicator	2023/24 Target	2023/24 Actual	2022/23 Actual
Office space utilisation per square metre per employee. The square metre per employee is a utilisation measure that helps MBIE to understand how efficiently we are using space by dividing the square metres by the number of employees. Customer-facing space is excluded from this calculation. We also use this figure to help project space for future staff demands.	Utilisation	12m ²	10.17m ²	12.27m ²
Staff office space will be above 70% New Building Standard (NBS). It is important that MBIE houses our staff in buildings that have a sufficient seismic rating. A property at 70% of NBS, which is the benchmark we have set, should preserve life, and be largely functional following a large earthquake. An earthquake that would structurally damage a building beyond 70% of NBS would likely affect the surrounding areas of the property, thus creating a red zone and therefore the building may be tenable but unable to be accessed for a period of time.	Condition	100%	90% ¹	81%
Staff offices with a building warrant of fitness (BWOFF). A BWOFF demonstrates that the property has compliant mechanical and life safety systems. Depending on the specific item (such as air conditioning), the systems need to be checked either monthly or quarterly, and then again annually by an independently qualified person. Only once all of the annual checks have been completed can a BWOFF be issued.	Functionality	100%	93% ²	77%

¹ Two buildings occupied with an NBS rating under 70%. Wellington Airport (45%) seismic strengthening works is currently underway to bring the rating up as close as reasonably practicable to 100% NBS (IL3), Napier (60%), which is a small site (16 staff), looking for a possible alternative location. We are waiting on confirmation of NBS ratings from three landlords. These relate to smaller sites with mostly hub/space share agreement and airports (Queenstown and Auckland).

² MBIE is awaiting on two sites for the latest BWOFF to be sent from the landlord. These are smaller sites with mostly hub/space share agreements. Requests have been sent for updated BWOFF certificates.

ICT asset performance measures

The measures below show that ICT services across MBIE are operationally stable and performing to, or close to, target service levels.

Measure	Indicator	2023/24 Target	2023/24 Actual	2022/23 Actual
System availability across critical business systems. Percentage service availability measured against agreed targets, measured monthly and aggregated to a full year.	Availability	99.9%	100% ³	100%
System availability across non-critical business systems. Percentage service availability measured against agreed targets, measured monthly and aggregated to a full year.	Availability	97.5%	100% ³	100%
Fault resolution performance for critical systems – Priority 1. Percentage of Priority 1 outage restorations that are within target timeframes. Priority 1 = failure of a core business service, security breach or environmental incident (eg, earthquake).	Condition	100%	100% ⁴	100%
Fault resolution performance for critical systems – Priority 2. Percentage of Priority 2 outage restorations that are within target timeframes. Priority 2 = partial failure or degradation of a core business service.	Condition	90%	100% ³	99.3%
ICT system warrant of fitness assessment. 100% of systems are classified as having the expected capability for the position they are in within their asset lifecycle. Systems having the expected capability must be considered to be one of the following: › meeting requirements with some limited level of operational enhancements scheduled. › have planned continuous improvement programme in place. › have an end of life in line with life expectancy for the system, with a planned replacement.	Functionality	100%	100%	100%

³ Average percentage taken between June 2023 and June 2024.

⁴ Average percentage of outage restorations that are within the timeframes and contractual terms of our lead supplier between June 2023 and June 2024.

The actual results included in the tables above have not been audited.

OUR FINANCIAL STATEMENTS

Financial Commentary

This section of the annual report provides a commentary on MBIE’s 2023/24 financial results and a view of our forecast financial plans for 2024/25.

This commentary compares financial performance for the year with:

- › the previous financial year, 2022/23
- › the 2023/24 budget set in May 2023 as part of the Government’s Budget. This is referred to as **Unaudited Budget**
- › the 2024/25 budget set in May 2024 as part of the Government’s Budget. This is referred to as **Unaudited Forecast**

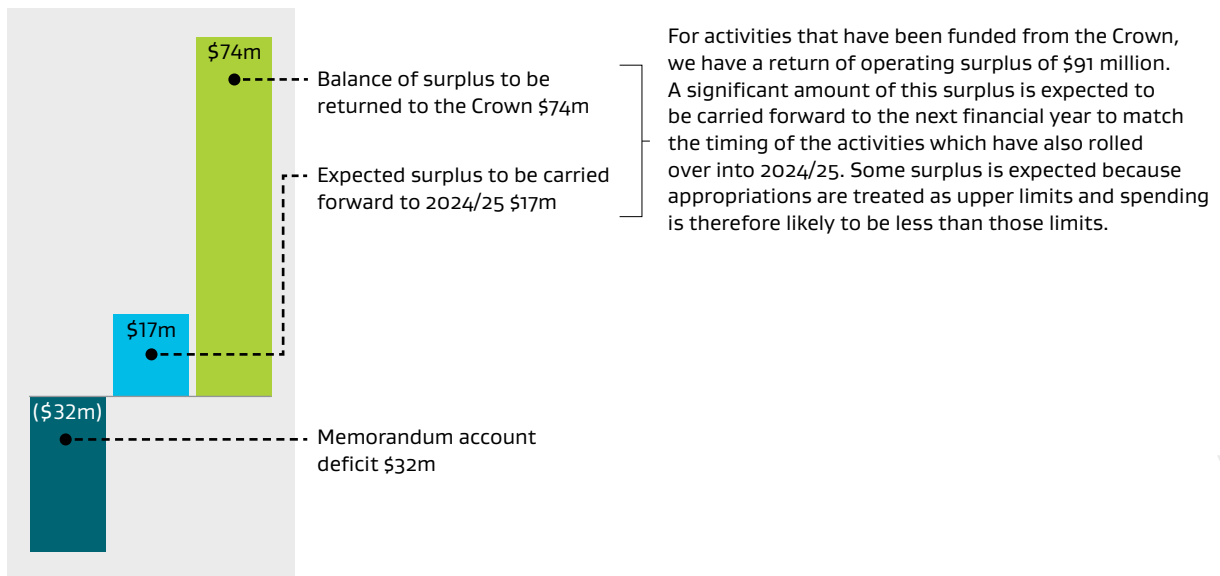
Information is also provided in this commentary on non-departmental operations, where MBIE administer activities on behalf of the Crown.

2023/24 Departmental Results

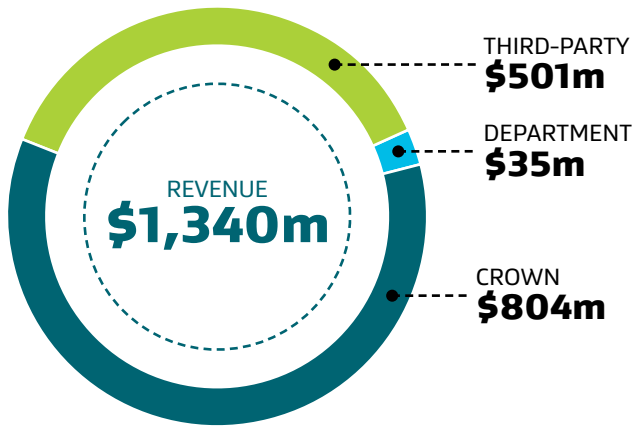
MBIE’s 2023/24 departmental activities are funded through 56 appropriations across 3 votes. In 2023/24 our revenue was \$1,340 million and our expenditure \$1,283 million. Across all our departmental activities we have incurred a net surplus of \$91 million (2023: \$142 million surplus).

Crown revenue has decreased from the prior year, largely driven by the final wind-up of the Managed Isolation and Quarantine (MIQ) and the transfer of the Computer Emergency Response Team functions to Government Communications Security Bureau (GCSB). Third-party revenue has however increased mainly due to the continued increase in immigration services after the re-opening of the New Zealand border. While total revenue has stayed fairly consistent, higher total expenditure in 2023/24 has resulted in a lower year-to-date surplus of \$57 million.

2023/24 Operating Results



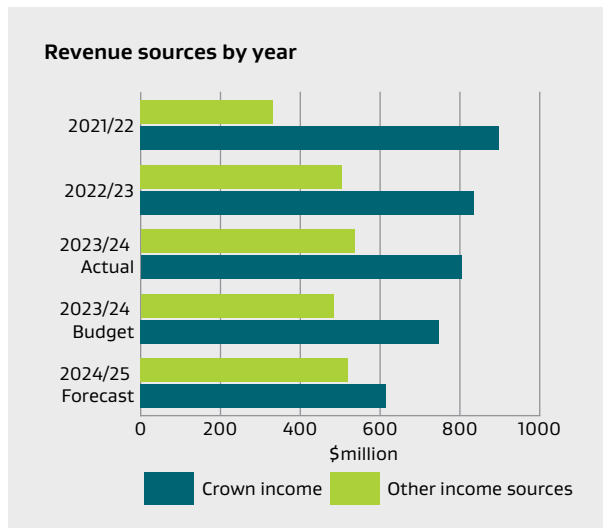
The Money We Receive to Fund Our Departmental Operations



MBIE receives funding to deliver services and functions on behalf of the Government. The majority of our funding comes from the Crown and from fees and levies charged to third parties for our services.

	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Crown revenue	461,548	735,937	897,618	835,434	804,219	747,173	614,590
Third-party revenue	408,399	287,965	387,474	490,748	500,973	459,481	479,227
Department revenue	16,696	19,959	18,807	13,961	35,225	24,106	40,985
Total revenue	886,643	1,043,861	1,303,899	1,340,143	1,340,417	1,230,760	1,134,802

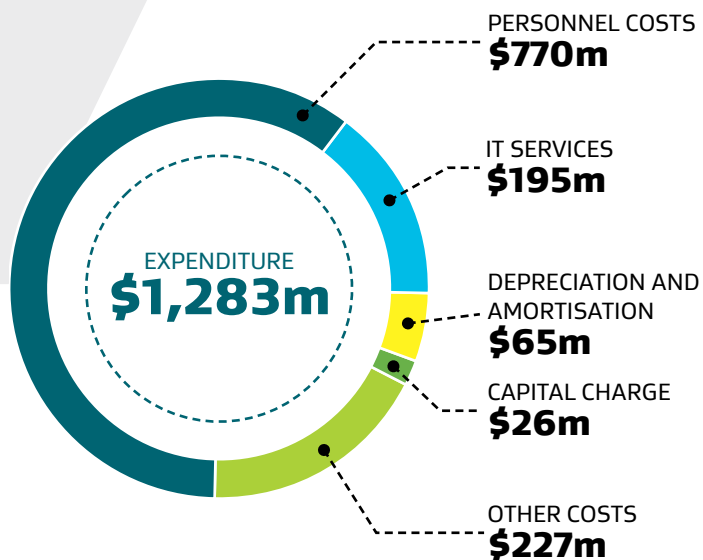
In 2023/24 our total revenue has remained consistent with 2022/23, reflective of the drop in Crown revenue which was offset by the increase in revenue from other Departments and third parties.



Crown revenue was \$31 million less than 2022/23 which was driven by the transfer of the Computer Emergency Response Team functions to Government Communications Security Bureau (GCSB) and the final wind-up of MIQ. On the other hand, Crown revenue was higher than the 2023/24 Budget mainly due to new funding from Crown to support MBIE's various outputs including the Bowen House fitout.

Third-party and department revenue was \$31 million greater than 2022/23 and \$53 million greater than the 2023/24 Budget. The increase relates to revenue from Customs to fund the New Zealand Traveller Declaration programme and higher revenue received following the Visa application surge due to the re-opening of the New Zealand border.

How We Spent the Funding We Received for Our Departmental Operations



About three quarters of our total costs relate to personnel costs and IT services.

	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Personnel costs	540,255	590,455	703,127	704,103	769,842	713,233	653,121
IT costs	136,590	142,902	166,243	190,358	194,742	192,253	231,854
Depreciation, amortisation and impairment	54,822	86,116	75,720	60,503	64,456	61,751	62,920
Capital charge	20,418	23,258	23,216	27,971	26,214	30,964	30,500
Other operating costs	178,826	262,222	292,726	214,845	227,284	214,667	121,721
Total expenditure	930,911	1,104,953	1,261,032	1,197,780	1,282,538	1,212,868	1,100,116

In 2023/24 we spent \$1,283 million as a department, \$85 million more than 2022/23 and \$70 million more than the 2023/24 Budget. This is mainly due to the costs associated with the closure of MIQ facilities. Personnel and IT costs make up most of our expenditure and have increased as a proportion of our total expenditure from last year driven by the labour market conditions. Depreciation, amortisation, and impairment has remained relatively consistent compared to 2022/23 at \$64 million, with no major changes to MBIE's fixed assets in the financial year.

The Memorandum Accounts We Administer

	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Immigration visa	(127,137)	(79,226)	(108,887)	48,663	41,766	12,765	55,677
Building controls	56,327	57,019	66,184	71,590	59,095	65,346	54,025
Registration and granting of intellectual property rights	30,060	28,762	26,510	22,809	17,246	15,193	9,325
Other memorandum accounts	32,806	36,800	25,450	37,267	29,800	10,718	19,809
Memorandum account balance at 30 June	(7,944)	43,355	9,257	180,329	147,907	104,022	138,836

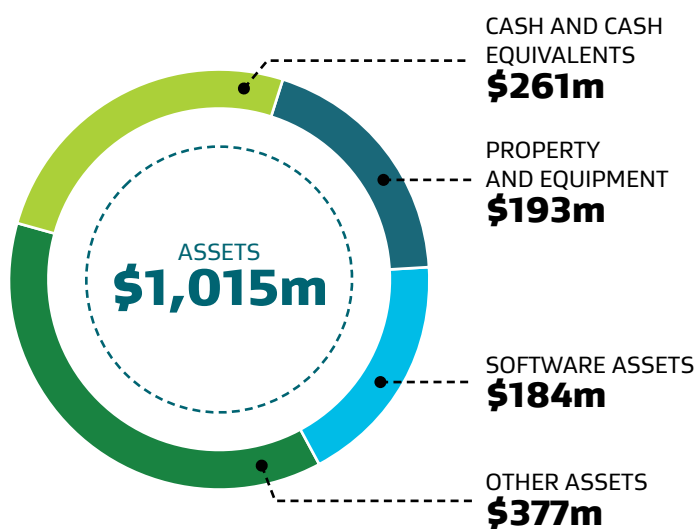
Memorandum accounts record the cumulative surplus or deficit of MBIE services that are intended to be fully cost recovered from third parties through fees, levies or other charges. Memorandum accounts provide transparency around these services, and in the long term, the balance of each memorandum account is expected to trend towards zero.

In 2023/24 MBIE administered 14 (2022/23: 14) memorandum accounts.

The overall memorandum account balance at 30 June 2024 was a \$148 million surplus (2022/23: \$180 million surplus). The drop in the overall surplus compared to 30 June 2023 is mainly due to increased expenditure in the Immigration Visa memorandum account related to work to improve the timeliness of visa applications and system improvements. A full fee and levy review has been carried out in 2023/24 to help Immigration New Zealand to become less reliant on Crown funding. The new rates will apply from October 2024 and the current projection shows the memorandum account will return to a neutral balance by 2027/28.

Additionally increased expenditure in the Building Controls memorandum account, while experiencing lower than anticipated revenue driven by building consent activity returning to lower levels has contributed to the declining surplus. Changes to the building levy threshold effective from 1 July 2024 have been confirmed and is expected to result in a small reduction in revenue over the coming year.

The Departmental Assets We Manage to Support Our Operations

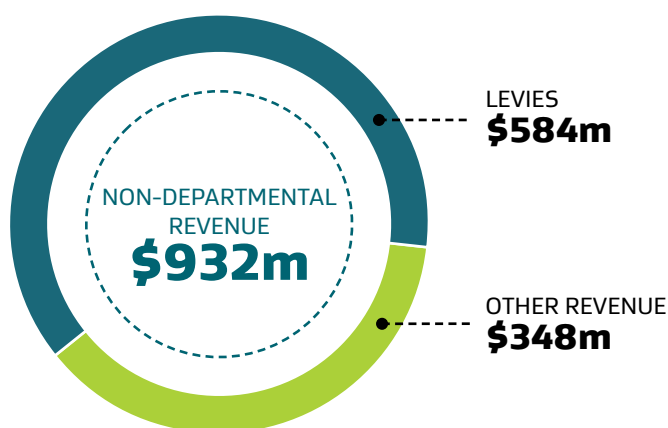


	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Cash and cash equivalents	140,710	178,512	249,284	289,388	260,880	159,856	173,763
Property and equipment	134,941	139,475	147,396	156,091	193,478	137,050	192,537
Software assets	233,329	191,603	188,191	196,227	183,468	208,191	210,227
Other assets	83,362	237,287	345,769	333,964	377,200	332,255	388,964
Total assets	592,342	746,877	930,640	975,670	1,015,026	837,352	965,491
Capital expenditure	98,562	78,206	77,658	70,300	81,798	66,665	75,016

MBIE manages \$1,015 million of departmental assets. Software assets and property and equipment represent over a third of our assets. Software assets are the systems used to support the operation of MBIE and the services provided. Most of the software is developed internally rather than purchased. Our property and equipment are the land, buildings, leasehold improvements, furniture and fittings, vehicles and computer hardware we use in our daily operations. Most of the other assets we control relate to debtors and other receivables due to us.

Cash and cash equivalents are \$101 million higher than the 2023/24 Budget due to the timing of returning unused cash back to the Crown. This is reflected in other assets which is mainly due to Crown funding not yet drawn down. Due to holding sufficient cash, less funds have been required to be drawn down.

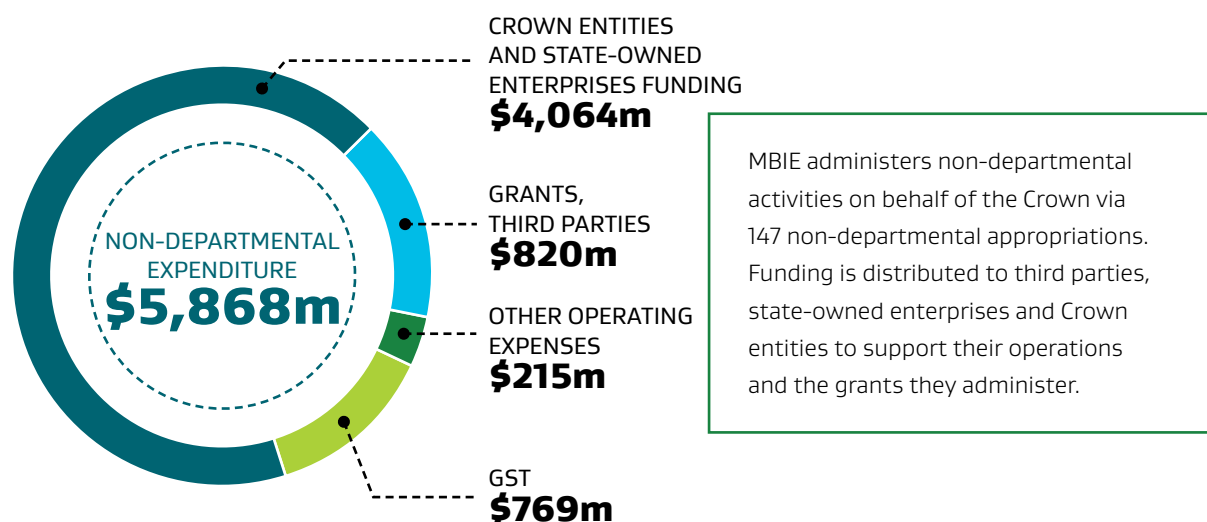
The Non-Departmental Revenue We Received on Behalf of the Crown



	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Levies	374,444	348,155	434,069	501,056	583,646	491,438	666,556
Managed Isolation and Quarantine fees	-	123,812	72,658	-	-	-	-
Other revenue	300,965	273,435	434,016	321,120	347,895	293,586	280,626
Total non-departmental revenue	675,409	745,402	940,743	822,176	931,541	785,024	947,182

Non-departmental revenue for 2023/24 was \$109 million more than 2022/23, and \$147 million greater than the 2023/24 Budget mainly due to higher levies revenue. This included the Immigration Levy, which has continued to increase more than anticipated following the re-opening of the New Zealand border. Additionally, there were higher than forecast Health and Safety at Work levies as the market continues to recover from the effects of the pandemic and a one-off dividend received from Crown Regional Holdings Limited.

The Non-Departmental Expenditure We Administer on Behalf of the Crown



	Actual 2020 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Grants and operating expenses – Crown entities and state-owned enterprises	3,179,681	3,814,852	3,642,609	3,754,799	4,064,280	4,075,421	4,202,109
Grants – third parties	771,504	1,302,717	1,021,509	878,771	820,213	854,161	835,558
Other operating expenses	251,783	811,928	772,552	198,298	214,689	508,751	128,467
GST	586,383	822,527	800,909	726,569	768,914	814,851	764,285
Total non-departmental expenditure	4,789,351	6,752,024	6,237,579	5,558,437	5,868,096	6,253,184	5,930,419

Our non-departmental expenditure was \$310 million higher than 2022/23 and \$385 million lower than the 2023/24 Budget. The increase in expenditure from the prior year is largely driven by a forecast adjustment capped at a 7.5 per cent year-on-year increase to ACC funding for cost pressures with an aim to return the account to a 100 per cent funded position over ten years.

Statement of Management Responsibility

I am responsible, as Chief Executive of the Ministry of Business, Innovation and Employment (MBIE) for:

- › the preparation of MBIE's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- › having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- › ensuring that end-of-year performance information on each appropriation administered by MBIE is provided in accordance with sections 19A to 19C of the *Public Finance Act 1989*, whether or not that information is included in this annual report, and;
- › the accuracy of any end-of-year performance information prepared by MBIE, whether or not that information is included in the annual report.

In my opinion:

- › the annual report fairly reflects the operations, progress, and the organisational health and capability of MBIE;
- › the financial statements fairly reflect the financial position of MBIE as at 30 June 2024 and its operations for the year ended on that date;
- › the forecast financial statements fairly reflect the forecast financial position of MBIE as at 30 June 2025 and its operations for the year ending on that date, and;
- › the financial statements in appendix 1 fairly reflect the financial position of the Residential Tenancies Trust Account as at 30 June 2024 and its operations for the year ended on that date.



Carolyn Tremain

Te Tumu Whakarae mō Hīkina Whakatutuki

Secretary for Business, Innovation & Employment and
Chief Executive

30 September 2024

Independent Auditor's Report

To the readers of the Ministry of Business, Innovation and Employment's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of the Ministry of Business, Innovation and Employment (the Ministry). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- › the financial statements of the Ministry on pages 139 to 178, that comprise the statement of financial position, statement of commitments, and statement of contingent liabilities and assets as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- › the performance information for the appropriations administered by the Ministry for the year ended 30 June 2024 on pages 15 to 32, 41 to 63, 71 to 77, 81 to 90, 98 to 101, and 109 to 115;
- › the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2024 on pages 47, 64 to 70, 78 to 80, 91 to 97, 102 to 108, 116 to 124, 205;
- › the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 179 to 204 and 216 to 218 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and contingent assets as at 30 June 2024;
 - the schedules of expenditure; and revenue for the year ended 30 June 2024;
 - the statement of trust monies for the year ended 30 June 2024; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

Unmodified opinion on the financial statements, statements of expenses and capital expenditure and schedules of non-departmental activities

In our opinion:

- › the financial statements of the Ministry:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- › the statements of expenses and capital expenditure of the Ministry are presented, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- › the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent liabilities and contingent assets as at 30 June 2024; and
 - expenditure; and revenue for the year ended 30 June 2024; and
 - the statement of trust monies for the year ended 30 June 2024.

Qualified opinion on performance information

In our opinion, except for the possible effects of the matters described in the *Basis for our opinion* section of our report, the performance information for the appropriations administered by the Ministry for the year ended 30 June 2024:

- › presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
- › complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 30 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw attention to inherent uncertainties in the measurement of greenhouse gas emissions. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

Performance information: Our work was limited in the prior year because the methodology and underlying processes supporting the Temporary Accommodation Services survey were not sufficiently robust

The Ministry is responsible for providing Temporary Accommodation Services to people displaced by a civil emergency. The Ministry undertakes a survey of users who have been placed into Temporary Accommodation. The results of this survey are reported in three satisfaction measures on page 56 of the annual report.

In the prior year, we were unable to obtain sufficient appropriate audit evidence that the Ministry's reporting against these measures was materially correctly stated, because the methodology and underlying processes

supporting the survey results were not sufficiently robust. As a result, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for the affected measures for the year ended 30 June 2023. Our audit opinion on the performance information for the year ended 30 June 2023 was modified accordingly.

This issue has been resolved for the financial year ended 30 June 2024. As the limitation on our work cannot be resolved for the prior year, the Ministry's performance information reported for these performance measures for the 30 June 2023 year may not be directly comparable to the 30 June 2024 performance information.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter – Inherent uncertainties in the measurement of greenhouse gas emissions

The Ministry has chosen to include a measure of greenhouse gas (GHG) emissions in its performance information. Without further modifying our opinion and considering the public interest in climate change related information, we draw attention to page 98 of the annual report, which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emission factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Ministry for preparing:

- › financial statements that present fairly the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- › performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- › statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- › schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's strategic intentions, Estimates of Appropriation and Supplementary Estimates of Appropriation 2023/24, and the 2023/24 forecast financial figures included in the Ministry's 2022/23 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- › We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- › We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- › We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- › We evaluate the appropriateness of the reported performance information for the appropriations administered by the Ministry.
- › We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- › We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises the

information included on pages 2 to 14, 33 to 40, 125 to 134, 206 to 215, and 219 to 236, but does not include the information we audited, and our auditor's report thereon.

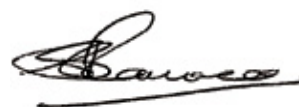
Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Ministry in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an assurance engagement over the procurement of Document Storage, Digitisation and Destruction Services which is compatible with those independence requirements. Other than the audit and this engagement, we have no relationship with or interests in the Ministry.



Clint Ramoo

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Revenue					
835,434	Crown		804,219	747,173	614,590
490,666	Other revenue	3	500,867	459,481	479,227
13,961	Department		35,225	24,106	40,985
82	Finance income		106	–	–
1,340,143	Total revenue		1,340,417	1,230,760	1,134,802
Expenditure					
704,103	Personnel costs	4	769,842	713,233	653,121
215,341	Other operating expenses	5	212,658	209,109	107,140
190,358	IT costs and technical support		194,742	192,253	231,854
60,503	Depreciation, amortisation and impairment	8, 9	64,456	61,751	62,920
27,971	Capital charge	7	26,214	30,964	30,500
(496)	Restructuring costs		14,626	5,558	14,581
1,197,780	Total expenditure		1,282,538	1,212,868	1,100,116
142,363	Net (deficit)/surplus		57,879	17,892	34,686
Other comprehensive revenue and expense					
7,124	Gain/(loss) on revaluation of property and equipment		(382)	–	–
149,487	Total comprehensive revenue and expense		57,497	17,892	34,686

Explanations of major variances against Budget can be found in the relevant notes.

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
Assets					
Current assets					
289,388	Cash and cash equivalents	16	260,880	159,856	173,763
322,836	Debtors and other receivables	10	364,988	324,597	379,498
9,466	Prepayments		11,744	7,658	9,466
621,690	Total current assets		637,612	492,111	562,727
Non-current assets					
1,662	Debtors and other receivables	10	468	–	–
156,091	Property and equipment	8	193,478	137,050	192,537
196,227	Intangible assets	9	183,468	208,191	210,227
353,980	Total non-current assets		377,414	345,241	402,764
975,670	Total assets		1,015,026	837,352	965,491
Liabilities					
Current liabilities					
75,179	Creditors and other payables	11	90,723	78,355	75,119
5,045	Unearned income	12	4,238	13,890	5,045
111,275	Return of operating surplus	13	91,127	20,392	58,569
10,867	Provisions	14	9,882	41,494	10,867
66,011	Employee entitlements	15	66,943	77,760	66,011
268,377	Total current liabilities		262,913	231,891	215,611
Non-current liabilities					
2,187	Provisions	14	2,194	2,670	2,187
6,691	Employee entitlements	15	7,501	5,700	6,691
8,878	Total non-current liabilities		9,695	8,370	8,878
277,255	Total liabilities		272,608	240,261	224,489
698,415	Net assets		742,418	597,091	741,002
Equity					
484,120	Taxpayers' funds	17	560,927	466,227	568,200
180,329	Memorandum accounts	17	147,907	104,022	138,836
33,966	Property revaluation reserves	17	33,584	26,842	33,966
698,415	Total equity		742,418	597,091	741,002

Explanations of major variances against Budget can be found in the relevant notes.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
569,826	Balance at 1 July		698,415	576,861	747,385
142,363	Net (deficit)/surplus		57,879	17,892	34,686
85,971	Capital injections	17	95,943	22,730	17,500
	– Capital withdrawal	17	(5,185)	–	–
(111,275)	Return of operating surplus to the Crown	13	(91,127)	(20,392)	(58,569)
7,124	Gain/(loss) on revaluation of property		(382)	–	–
4,406	Other movement		(13,125)	–	–
698,415	Balance at 30 June		742,418	597,091	741,002

Statement of Cash Flows

For the year ended 30 June 2024

Actual 2023 \$000			Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
	Cash flows from operating activities				
846,438	Receipts from the Crown		784,220	749,173	579,590
499,880	Receipts from other revenue		513,473	478,027	519,983
(409,640)	Payments to suppliers		(419,567)	(400,072)	(338,794)
(739,228)	Payments to employees		(773,437)	(718,244)	(667,209)
(27,971)	Payments for capital charge		(26,214)	(30,964)	(30,500)
(295)	Goods and services tax (net)		4,460	–	–
169,184	Net cash flows from operating activities		82,935	77,920	63,070
	Cash flows from investing activities				
153	Receipts from sale of property and equipment		187	–	–
	– Receipts from sale of intangible assets		300	–	–
(21,242)	Purchase of property and equipment		(50,740)	(16,665)	(27,016)
(49,051)	Purchase of intangible assets		(31,054)	(50,000)	(48,000)
(70,140)	Net cash flows from investing activities		(81,307)	(66,665)	(75,016)
	Cash flows from financing activities				
85,971	Capital injections		87,510	22,730	17,500
	– Capital withdrawal		(5,185)	–	–
(144,881)	Return of operating surplus		(111,275)	(28,479)	(26,451)
(58,910)	Net cash flows from financing activities		(28,950)	(5,749)	(8,951)
40,134	Net increase/(decrease) in cash and cash equivalents		(27,322)	5,506	(20,897)
249,284	Cash and cash equivalents at the beginning of the year		289,388	155,627	195,178
(30)	Effect of foreign exchange movements on cash balances		(1,186)	(1,277)	(518)
289,388	Cash and cash equivalents at the end of the year		260,880	159,856	173,763

Explanations of major variances against Budget can be found in the relevant notes.

The accompanying notes form part of these financial statements.

Reconciliation of Net Surplus to Net Cash Flows from Operating Activities

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
142,363	Net surplus	57,879
	Add/(less) non-cash items	
60,503	Depreciation, amortisation and impairment	64,456
1,514	Other non-cash items	(13,125)
62,017	Total non-cash items	51,331
	Add/(less) non-operating activities	
219	Net other (gains)/losses	1,186
(153)	Net loss on sale of property and equipment	274
66	Total non-operating activities	1,460
	Add/(less) movements in working capital	
(1,808)	(Increase)/decrease in prepayments	(2,278)
12,099	(Increase)/decrease in debtors and receivables	(40,958)
(3,182)	Increase/(decrease) in creditors and payables	15,544
(4,909)	Increase/(decrease) in unearned income	(807)
(31,110)	Increase/(decrease) in provisions	(978)
(6,352)	Increase/(decrease) in employee entitlements	1,742
(35,262)	Total movements in working capital	(27,735)
169,184	Net cash flows from operating activities	82,935

The accompanying notes form part of these financial statements.

Statement of Commitments

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Capital commitments	
	– Buildings	16,047
12,023	Software	10,450
12,023	Total capital commitments	26,497
	Operating leases as lessee	
	The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:	
43,031	Not later than one year	57,500
103,254	Later than one year and not later than five years	153,865
56,349	Later than five years	151,510
202,634	Total non-cancellable operating lease commitments	362,875
214,657	Total commitments	389,372

Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date.

Cancellable capital commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are included in the Statement of Commitments at the lower of the remaining contractual commitment and the value of those penalty or exit costs (that is, the minimum future payments).

Non-Cancellable Operating Lease Commitments

MBIE leases property, plant, and equipment in the normal course of its business. The majority of these leases are for premises and photocopiers, which have non-cancellable leasing periods.

MBIE's non-cancellable operating leases have varying terms, escalation clauses, and renewal rights.

There are no restrictions placed on MBIE by any of its leasing arrangements. The amounts disclosed as future commitments are based on current lease payments.

Expenses yet to be incurred on non-cancellable contracts that have been entered into at balance date are disclosed as commitments.

The total of minimum future sub-lease payments for the duration of the main leases expected to be received under non-cancellable sub-leases at balance date is \$58.315 million (2023: \$66.763 million).

The accompanying notes form part of these financial statements.

Statement of Contingent Liabilities and Assets

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Quantifiable contingent liabilities	
200	Legal proceedings and disputes	15
1,278	Other contingent liabilities	200
1,478	Total quantifiable contingent liabilities	215

Contingent Liabilities

Contingent liabilities are reported at the point at which the contingency is evident or when a present liability is unable to be measured with sufficient reliability to be recorded in the financial statements.

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits or service potential is considered remote.

Quantifiable Contingent Liabilities

Legal proceedings and disputes

Legal proceedings and disputes represent amounts claimed by plaintiffs in relation to the performance of MBIE's statutory roles and associated estimated legal costs. In addition, this includes contingent liabilities relating to various employment matters. Contingent liabilities relating to employment matters are assessed by taking into account the merits of each case, known risk factors and previous payments made in similar matters.

Other contingent liabilities

Other contingent liabilities represent obligations for the State Coal Reserve Land, prior to the transfer to Land Information New Zealand in 2011, for site mitigation that if not addressed by mine owners, will be sought from MBIE by Land Information New Zealand.

Unquantifiable Contingent Liabilities

Legal prosecutions against MBIE

Individuals have advised that they intend to commence proceedings against MBIE. MBIE has no information on the timing or quantum of these claims.

Contingent Assets

Contingent assets are reported at the point at which the contingency is evident or when a present asset is unable to be measured with sufficient reliability to be recorded in the financial statements. MBIE has no contingent assets as at 30 June 2024 (2023: nil).

The accompanying notes form part of these financial statements.

Who We Are

MBIE is the Government's lead business-facing public sector agency, and our purpose is to Grow Aotearoa New Zealand for All. We are a public benefit entity as our primary objective is to provide goods and services for the New Zealand community rather than for a financial return.

This section provides information on the legislation governing MBIE's operations as well as the concepts, rules and procedures that underlie the preparation and presentation of the financial statements.

Note 1: Reporting Entity

The Ministry of Business, Innovation and Employment (MBIE) is a New Zealand government department as defined by section 5 of the *Public Service Act 2020*. The relevant legislation governing the Ministry's operations includes the *Public Finance Act 1989*, *Public Service Act 2020*, and the *Public Accountability Act 1998*. MBIE's ultimate parent is the New Zealand Crown.

MBIE's primary objective is to provide services to the New Zealand public. MBIE does not operate to make a financial return and is a public benefit entity (PBE) for financial reporting purposes. The financial statements cover all activities of MBIE as set out in the 2023/24 Main and Supplementary Estimates of Appropriations for Votes Building and Construction; Business, Science and Innovation; and Labour Market.

In addition, MBIE has reported the Crown activities and trust monies that it administers in the non-departmental statements and schedules on pages 179 to 204.

MBIE has designated itself as a public benefit entity (PBE) for the purposes of complying with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements of MBIE are for the year ended 30 June 2024. They were authorised for issue by the Chief Executive of MBIE on 30 September 2024.

Note 2: Basis of Preparation and Statement of Significant Accounting Policies

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the *Public Finance Act 1989*, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP) and the Treasury Instructions.

The financial statements of MBIE have been prepared in accordance with Tier 1 Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS).

Measurement base

The financial statements have been prepared on a historical cost basis modified by the revaluation of land and buildings and prepared on an accrual basis unless otherwise specified.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of MBIE is the New Zealand dollar.

Note 2: Basis of Preparation and Statement of Significant Accounting Policies (continued)

New or amended standards adopted

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. MBIE has adopted the revised PBE standards, and the adoption did not result in any significant impact on MBIE's financial statements.

Changes in accounting policies

There have been no changes in MBIE's accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not early adopted

Standards and amendments that have been issued but are not yet effective and that have not been early adopted and that are relevant to MBIE are:

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Amendments to *PBE IPSAS 1 Presentation of Financial Reports* change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services. The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026.

These amendments and the new standard are not expected to have a significant impact.

Significant accounting policies

The following significant accounting policies have been applied. Where an accounting policy is specific to one note, the policy is described in the note to which it relates and marked with a symbol P.

Administration and use arrangements

Administration and use arrangements enable a government department to incur expenses against an appropriation administered by another government department.

Under these arrangements, the user department records expenditure with corresponding revenue reimbursed by the administering department.

The administering department then records the expenditure in the Statement of Comprehensive Revenue and Expense, as well as reporting the expenditure against appropriation.

Commitments

Expenses yet to be incurred on non-cancellable contracts that have been entered into at balance date are disclosed as commitments.

Cancellable contracts that have penalty or exit costs are included in the Statement of Commitments at the lower of the remaining contractual commitment or the value of the penalty or exit costs.

Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are reported at the point at which the contingency is evident or when a present liability or asset is unable to be measured with sufficient reliability to be recorded in the financial statements.

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits or service potential is considered remote.

Note 2: Basis of Preparation and Statement of Significant Accounting Policies (continued)

Foreign currency transactions

Foreign currency transactions, including those for which foreign exchange forward contracts are held, are translated to New Zealand dollars at the rate applicable on the day of settlement.

Monetary assets and liabilities denominated in foreign currencies at balance date are translated to New Zealand dollars at the foreign exchange rate at balance date.

Foreign exchange gains or losses arising from the settlements of such transactions and from the translation of foreign currency monetary assets and liabilities are recognised in net surplus or deficit.

Goods and Services Tax (GST)

All items in the financial statements, except for receivables and payables, are stated exclusive of GST, including appropriation statements and commitments and contingencies. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to or received from the Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Government departments are exempt from income tax as public authorities, and no income tax has been provided for.

Cost accounting policies

MBIE has determined the cost of outputs using the cost allocation system outlined below.

Input costs can be classified as direct and indirect.

Direct costs are those that are directly linked to the production of an output; for example, the cost of staff working in a business unit that can be directly linked to the outputs.

Indirect costs are incurred in the operation of MBIE as a whole and are not able to be linked directly to a specific output. They are charged to outputs based on cost drivers and related activity or usage information.

The method of allocating costs is:

- › Directly Charged – costs that are incurred for a specific purpose and can be directly attributed to specific business groups will be directly charged to that business group and allocated to the appropriate branches and appropriation outputs within that business group.
- › Allocated based on a cost driver – these are costs that are incurred as a result of consumption but cannot be directly charged to specific business groups. These costs are generally provided across MBIE. At a high level the model allocates property and centralised corporate delivery costs based on full-time equivalent (FTE), headcount, and appropriation.

Critical accounting estimates, assumptions and judgements in applying accounting policies

In preparing these financial statements, critical accounting estimates, assumptions and judgements have been made concerning the future and may differ from the subsequent actual results. Critical accounting estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 2: Basis of Preparation and Statement of Significant Accounting Policies (continued)

Comparatives

When the presentation or classification of items in the financial statements are amended or accounting policies are changed, comparative figures are restated to ensure consistency with the current period, unless it is impractical to do so. The presentation of some information has changed from the previous period, with prior period balances re-classified to be comparable with current year figures.

Budget and forecast figures

Basis for the budget and forecast figures

The 2024 Budget are the Main Estimates figures for the year ended 30 June 2024 and were published in the 2022/23 Annual Report (Unaudited Forecast 2024). They are consistent with MBIE's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ended 2023/24.

The 2025 forecast figures (Forecast) are for the year ending 30 June 2025, which are consistent with the best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update for the year ending 2024/25.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

Although MBIE regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2025 will not be published.

Significant assumptions used in preparing the unaudited forecast financial statements

- › The forecast financial statements have been prepared as required by the *Public Finance Act 1989* to communicate forecast financial information for accountability purposes and comply with Public Benefit Entities Financial Reporting Standard (PBE FRS) 42 *Prospective Financial Information*.

- › The forecast figures reflect MBIE's activities and are based on a number of assumptions on what may occur during the 2024/25 year. The forecast figures have been compiled on the basis of the current economic environment, existing government policies and Ministerial expectations at the time the Budget was finalised.

The main assumptions were as follows:

- › MBIE's activities and output expectations will be focusing on the Government's priorities.
- › Personnel costs were based on current wages and salary costs, adjusted for anticipated remuneration changes.
- › Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and MBIE's best estimate of future costs that will be incurred.

Factors that could lead to material differences between the forecast financial statements and actual financial statements for the period ending 30 June 2025 include changes to the baseline budget through transfers of funding across financial years, technical adjustments or new initiatives.

Authorisation statement

The forecast financial statements were approved for issue by the Chief Executive on 15 April 2024. The Chief Executive is responsible for the forecast financial statements, including the appropriateness of assumptions underlying them and all other required disclosures.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material.

How We Were Funded

Our activities are funded mainly by revenue from the Crown and other revenue received from third parties. Crown revenue is received from the Government and is classified as a non-exchange transaction. It consists of amounts appropriated for the year. Other revenue consists mainly of fees and levies paid by third parties. We collect fees in exchange for the services we provide to the community; for example, the issue of immigration visas or the provision of online systems via the Companies Office website to make it easier for businesses to manage and update their records. Levies are collected without a direct exchange of services; for example, a building levy is paid on successful building consent application for a project exceeding a specified threshold.

Note 3: Revenue

P Revenue from Exchange Transactions

Fees

Revenue from fees is recognised as income in the period when the service was provided.

Immigration visa fees

Revenue from immigration visa fees is recognised on receipt in full at the time an applicant makes payment when lodging their visa application with Immigration New Zealand.

Shared service recoveries from other government departments and Crown entities

Shared service recoveries, largely relating to corporate costs reimbursed by other government departments and Crown entities, are recognised in the accounting period in which the service is provided. It is assessed on the completion of specific transactions, which is based on the proportion of actual services provided over the total services due.

Revenue from Non-Exchange Transactions

Revenue from the Crown

Revenue from the Crown is treated as a non-exchange transaction, and is measured based on MBIE's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue

recognised takes into account any amendments to appropriations approved in the *Appropriation (Supplementary Estimates) Act* for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, MBIE can incur expenses only within the scope, amount and time of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Levies

Revenue from the collection of levies is a non-exchange transaction as the payment of these levies does not entitle the payer to a direct benefit from the Crown. The revenue recognition point is when the obligation to pay a levy has been incurred and this is guided by multiple Acts that MBIE administers.

Although there are restrictions on how levy funding may be spent, there are no conditions attached to the levies that could readily give rise to obligations to return levies to levy payers.

Other revenue from Residential Tenancies Trust Account

MBIE administers a trust account for tenancy bonds under the *Residential Tenancies Act 1986*. Any interest earned by the Residential Tenancies Trust Account (RTTA) is passed onto MBIE to cover costs.

Note 3: Revenue (continued)

Actual 2023 \$000		Actual 2024 \$000
	Other revenue associated with a memorandum account (Note 17)	
	Memorandum account revenue	
255,385	Immigration fees	263,138
43	Other revenue	154
255,428	Total immigration visa	263,292
48,186	Building levies	37,220
438	Other revenue	70
48,624	Total building controls	37,290
12,686	Companies annual return fees	12,781
8,937	Personal property securities register fees	8,965
7,021	Companies incorporation fees	7,041
3,583	Other revenue and fees	3,842
32,227	Total registration and provision of statutory information	32,629
13,946	Patent fees	14,158
9,565	Trademark fees	11,258
4,710	Intellectual Property Office NZ fees	5,621
28,221	Total registration and granting of intellectual property rights	31,037
31,371	Government procurement reform income	24,432
31,371	Total government procurement reform agenda	24,432
6,443	Licensed building practitioners levies and fees	6,298
6,443	Total occupational licensing – building practitioners	6,298
4,675	Radio apparatus licence fees	4,276
3,182	Right to transmit radio waves fees	3,650
7,857	Total management and enforcement of the Radiocommunications Act 1989	7,926
6,153	Sale of standards	5,832
6,153	Total Standards New Zealand	5,832
6,503	Electrical workers fees	6,610
6,503	Total occupational licensing – electrical workers	6,610
3,607	Mineral permit fees	4,028
737	Petroleum permit fees	664
4,344	Total management of the Crown mineral estate	4,692
2,114	MVT registration fees	2,187
2,114	Total Motor Vehicle Traders (MVT) register	2,187
21,848	Immigration fees	26,206
21,848	Total Electronic Travel Authority	26,206
141	Unit titles application fees	109
141	Total Unit Titles Act 2010	109
(27)	National multi-use approvals	33
(27)	Total National multi-use approvals	33
451,247	Total third-party revenue associated with a memorandum account	448,573

Note 3: Revenue (continued)

Actual 2023 \$000		Actual 2024 \$000
	Other revenue not associated with a memorandum account	
23,030	Revenue from Residential Tenancies Trust Account	33,274
3,328	Shared services recovery	2,550
7,054	Other fees	10,677
6,007	Other revenue	5,793
39,419	Total other revenue not associated with a memorandum account	52,294
490,666	Total other revenue	500,867
416,327	Total other revenue from exchange transactions	427,231
74,339	Total other revenue from non-exchange transactions	73,636
490,666	Total other revenue	500,867

i Explanation of Major Variances Against Budget

Revenue is \$109.657 million higher than Budget (Budget: \$1.231 billion) mainly due to funding from the Crown to support MBIE's various outputs including the Bowen House fitout as well as revenue from Customs to fund the New Zealand Traveller Declaration programme.

In addition, there was higher Crown and third-party revenue received compared to Budget following the Visa application surge due to the re-opening of the New Zealand border.

The Costs We Incur to Achieve Our Goals

Our activities are funded through appropriations, which are funds set aside by the Government for a specific purpose. Our largest areas of spend are on personnel, IT and technical support, and various professional services.

Note 4: Personnel Costs

<p>P Employee Benefits</p> <p>Employee entitlements to salaries and wages, bonuses, annual leave, long service leave, retirement gratuities and other similar benefits are recognised as an expense when they accrue to employees.</p> <p>Obligations for contributions to the State Sector Retirement Savings Scheme, KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.</p>	<p>Termination Benefits</p> <p>Termination benefits are recognised as an expense only when there is a demonstrable commitment to either terminate employment prior to normal employment date or to provide such benefits as a result of a position becoming redundant. Termination benefits settled within 12 months are reported at the amount expected to be paid.</p>
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Actual 2023 \$000	Actual 2024 \$000
622,888 Salaries and wages	698,586
70,272 Contractors	41,693
18,780 Employer contributions to defined contribution schemes	20,547
10,202 Training and professional development	7,014
(18,039) Other personnel	2,002
704,103 Total personnel costs	769,842

<p>i Explanation of Major Variances Against Budget</p> <p>Personnel costs are \$56.609 million higher than Budget (Budget: \$713.233 million) due to an increase in Visa Processing staff to keep up with the surge in Visa applications. Additionally, there have been higher than budgeted severance and</p>	<p>redundancy costs resulting from changes across Government. This was offset by a decrease in contractor spend due to the changing environment and the Government’s directive to reduce reliance on contractors.</p>
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Note 5: Other Operating Expenses

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Other Operating Expenses

Other operating expenses are recognised when goods and services are received.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental

to ownership of an asset. Payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives for accommodation are recognised evenly over the term of the lease as a reduction in rental expense.

Actual 2023 \$000		Actual 2024 \$000
70,116	Professional services	68,048
49,475	Rental and operating lease costs	64,473
22,410	Travel – domestic and overseas	18,661
20,189	Property maintenance and operation costs	16,985
22,512	Other operating costs	16,668
19,575	Consulting services	13,326
9,734	Supplies and services	11,852
58	Net foreign exchange losses	826
279	Provision for impairment of debtors and other receivables	482
	– Loss on disposal of property and equipment	289
	Auditor's remuneration	
969	Audit fees – MBIE's financial statements	1,022
24	Audit fees – Residential Tenancies Trust Account's financial statements	26
215,341	Total other operating expenses	212,658

Note 6: Contractors and Consultants

MBIE uses contractors and consultants to provide backfill for vacant positions or cover short-term demand, where specialist skills or independent external advice are needed (such as for specific programmes or projects), and in periods of peak demand.

A contractor is a person who is not considered an employee, providing backfill or extra capacity in a role that exists within MBIE or acts as an additional resource for a time-limited piece of work.

A consultant is a person or firm who is not considered a contractor or employee, engaged to perform a piece of work with a clearly defined scope and provide expertise, in a particular field, not readily available from within MBIE.

Some contractors and consulting costs for specific projects are capitalised when they relate to the creation and/or development of an asset.

Actual 2023 \$000		Notes	Actual 2024 \$000
Operating expense			
38,638	Contractors		11,854
31,634	Contractors working on ICT projects		29,839
70,272	Total operating expense – contractors	4	41,693
19,575	Consulting services	5	13,326
89,847	Total operating expense – contractors and consultants		55,019
Capital expense			
13,853	Contractors and consulting services capitalised to assets – Intangible assets		4,876
743	Contractors and consulting services capitalised to assets – Property and equipment		6,105
14,596	Total capital expense – contractors and consultants		10,981
104,443	Total contractors and consultants		66,000

Note 7: Capital Charge

MBIE pays a capital charge to the Crown on its taxpayers' funds at 31 December and 30 June each financial year. The capital charge rate for the year ended 30 June 2024 was 5 per cent (2023: 5 per cent). The capital charge is recognised as an expense in the financial year to which it relates.

Long-Term Assets that Support Our Operations

In order to efficiently carry out our operations, we invest in physical assets and intangible assets. Assets of a similar nature are grouped into categories. These assets are used for more than one year. Their cost is spread over the asset's useful life, which is the expected period that the asset is available for use.

Note 8: Property and Equipment

P Property and equipment consists of land, buildings, equipment, leasehold improvements, furniture and fittings, computer hardware and motor vehicles.

Measurement

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Additions

Items of property and equipment are recognised at cost if it is probable that future economic benefits or service potential will flow to MBIE. Where an item of property and equipment is acquired at no cost (or for a nominal amount), it is recognised at its fair value on the date of acquisition. Costs incurred subsequent to the initial recognition of an item of property and equipment are only recognised where it can be demonstrated that there has been an increase in the future economic benefits or service potential that will flow to MBIE, and the cost of the item can be measured reliably. Costs relating to the servicing or maintenance of items of property and equipment are recognised in net surplus or deficit when incurred. Work in progress is recognised at cost less impairment losses and is not depreciated.

Capitalisation

A de minimis of \$5,000 applies for capitalisation below which individual items are expensed on purchase. Grouped assets are capitalised if their total acquisition cost is greater than \$5,000.

Depreciation

Depreciation is charged on a straight-line basis, at rates that will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives. Land and work in progress are not depreciated. The useful lives of major categories of property and equipment have been estimated as follows.

Asset class	Useful life
Buildings	30-60 years
Computer hardware	3-6 years
Furniture and fittings	3-7 years
Leasehold improvements (shorter of lease period or estimated useful life)	2-12 years
Motor vehicles	4-6 years
Equipment	3-10 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Note 8: Property and Equipment (continued)

P Revaluation

Land and buildings are revalued at least once every three years, by an independent registered valuer, to ensure that their carrying amount does not differ materially from their fair value. In the intervening years, carrying values of revalued assets are assessed annually to ensure that they do not differ materially from fair value. If there is a material difference, then the off-cycle asset classes are revalued.

The net revaluation results are included in other comprehensive revenue and expense and a property revaluation reserve in equity for that class of asset. However, if this would result in the reserve being exhausted, then it is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously recognised, and then recognised in other comprehensive revenue and expense.

The useful life of an asset is reassessed following revaluation.

Disposals

Gains and losses on disposal of an item of property and equipment represent the difference between disposal proceeds, if any, and the carrying value of the asset at the time of disposal and are recognised in net surplus or deficit.

If a previously revalued asset is disposed of, the relevant amount held in the asset revaluation reserve is transferred to taxpayers' funds.

Work in Progress (WIP)

WIP is capital expenditure for assets that are not in use or completed at balance date. During the year, items are transferred from WIP into asset classes as completed.

Impairment

Property and equipment are reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. For revalued assets, the impairment loss is recognised in other comprehensive revenue and expense and decreases the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carried at revalued amount, the total impairment loss is recognised in surplus or deficit.

The reversal of an impairment loss on a revalued asset is recognised in other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of an impairment loss is also recognised in surplus or deficit.

Note 8: Property and Equipment (continued)

	Land \$000	Building \$000	Equipment \$000	Leasehold improvements \$000	Furniture & Fittings \$000	Computer hardware \$000	Motor vehicles \$000	WIP \$000	Total \$000
Year ended 30 June 2023									
Cost	14,400	41,300	9,157	78,938	26,481	43,239	1,630	20,985	236,130
Accumulated depreciation and impairment	-	-	(6,291)	(38,262)	(18,964)	(22,940)	(1,360)	(917)	(88,734)
Opening net book value	14,400	41,300	2,866	40,676	7,517	20,299	270	20,068	147,396
Additions	-	10	500	1,408	3,468	139	66	15,649	21,240
Transfers from WIP	-	743	-	10,512	1,005	2,966	-	(15,226)	-
Revaluation	(1,500)	7,900	-	-	-	-	-	-	6,400
Disposals	-	-	-	-	-	-	(198)	-	(198)
Depreciation	-	(725)	(679)	(5,514)	(3,363)	(9,266)	(122)	-	(19,669)
Depreciation released on disposals	-	-	-	-	-	-	198	-	198
Accumulated depreciation reversed on revaluation	-	724	-	-	-	-	-	-	724
Closing net book value	12,900	49,952	2,687	47,082	8,627	14,138	214	20,491	156,091
Cost	12,900	49,953	9,657	90,858	30,954	46,344	1,498	21,408	263,572
Accumulated depreciation and impairment	-	(1)	(6,970)	(43,776)	(22,327)	(32,206)	(1,284)	(917)	(107,481)
Closing net book value	12,900	49,952	2,687	47,082	8,627	14,138	214	20,491	156,091
Year ended 30 June 2024									
Additions	-	-	302	2,834	2,433	647	101	52,859	59,176
Transfers from WIP	-	177	383	6,908	468	7,966	451	(16,353)	-
Revaluation	(1,200)	(100)	-	-	-	-	-	-	(1,300)
Disposals	-	-	(497)	(6,058)	(2,209)	(1,414)	(103)	-	(10,281)
Depreciation	-	(953)	(756)	(6,128)	(3,705)	(9,301)	(100)	-	(20,943)
Depreciation released on disposals	-	-	431	5,917	2,114	1,258	97	-	9,817
Accumulated depreciation reversed on revaluation	-	918	-	-	-	-	-	-	918
Closing net book value	11,700	49,994	2,550	50,555	7,728	13,294	660	56,997	193,478
Cost	11,700	50,030	9,845	94,542	31,646	53,543	1,947	56,997	310,250
Accumulated depreciation and impairment	-	(36)	(7,295)	(43,987)	(23,918)	(40,249)	(1,287)	-	(116,772)
Closing net book value	11,700	49,994	2,550	50,555	7,728	13,294	660	56,997	193,478

MBIE holds one land and building asset, the Māngere Refugee Resettlement Centre in Auckland. The most recent valuation of the Māngere Refugee Resettlement Centre was performed by registered valuers Kane Sweetman and Angus McIntyre of CVAS (NZ) Limited trading as Colliers, with an effective date of 30 June 2024.

The Māngere property is valued at depreciated replacement cost due to the nature of the building. The depreciated replacement cost value tends to be lower than that of the open market value.

The economic useful life of the property has been updated from the original project life of 30 years to the valuation estimate of 52-56 years.

Included in property and equipment assets are \$6.105 million of capitalised contractors and consultants' costs (2023: \$0.743 million).

There are no other restrictions over the title of MBIE's property and equipment, nor are they pledged as security for liabilities.

Note 9: Intangible Assets

P Measurement

Intangible assets are measured at cost, less accumulated amortisation and any impairment losses.

Additions

Purchased computer software is capitalised on the basis of the costs incurred to acquire and bring the software into use. Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Internally generated intangible assets are recognised at the cost associated with bringing the asset into use, including the cost of all materials used in construction, employee costs and an appropriate proportion of overheads.

Staff training costs are recognised as an expense when incurred. Costs relating to the maintenance of intangible assets are recognised in net surplus or deficit when incurred. Costs associated with development and maintenance of MBIE's website are recognised as an expense when incurred.

Where software is provided under a Software-as-a-service (SaaS) arrangement, costs of configuration and customisation are recognised as an intangible asset only if the activities create an intangible asset that MBIE controls and asset recognition criteria are met. Costs, including ongoing fees for use of software, that do not result in an intangible asset or a software finance lease are expensed as a service contract as incurred. However, where fees represent payment for future services to be received, MBIE recognises these as a prepayment and expenses these as subsequent services are received.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. The amortisation charge for each year is recognised in net surplus or deficit.

The useful lives of major classes of intangible assets have been estimated as follows.

Asset class	Useful life
Purchased computer software	3-8 years
Internally generated computer software	4-10 years

Impairment

Intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For capital work in progress, MBIE review four times a year to identify any impairment of the carrying value its assets. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. For revalued assets, the impairment loss is recognised in other comprehensive revenue and expense and decreases the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in surplus or deficit.

The reversal of an impairment loss on a revalued asset is recognised in other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of an impairment loss is also recognised in surplus or deficit.

Note 9: Intangible Assets (continued)

	Actual 2024				Actual 2023			
	Purchased \$000	Internally generated \$000	WIP \$000	Total \$000	Purchased \$000	Internally generated \$000	WIP \$000	Total \$000
Cost	153,914	303,496	61,901	519,311	129,960	253,606	87,440	471,006
Accumulated amortisation and impairment	(106,382)	(208,296)	(8,406)	(323,084)	(91,970)	(183,368)	(7,477)	(282,815)
Opening net book value	47,532	95,200	53,495	196,227	37,990	70,238	79,963	188,191
Additions	1,847	244	28,963	31,054	7,371	5,864	35,824	49,059
Transfers from WIP	10,258	17,767	(28,025)	–	16,974	44,389	(61,363)	–
Disposals	(537)	(2,208)	–	(2,745)	(391)	(363)	–	(754)
Impairment	–	–	(890)	(890)	–	–	(929)	(929)
Amortisation	(14,783)	(27,840)	–	(42,623)	(14,803)	(25,102)	–	(39,905)
Amortisation released on disposals	537	1,908	–	2,445	391	174	–	565
Closing net book value	44,854	85,071	53,543	183,468	47,532	95,200	53,495	196,227
Cost	165,482	319,299	53,543	538,324	153,914	303,496	61,901	519,311
Accumulated amortisation and impairment	(120,628)	(234,228)	–	(354,856)	(106,382)	(208,296)	(8,406)	(323,084)
Closing net book value	44,854	85,071	53,543	183,468	47,532	95,200	53,495	196,227

MBIE develops and maintains internally generated software, which is classified as an asset under construction and capitalised at the in-service date.

In accordance with *PBE IPSAS 31 Intangible Assets*, management have reviewed the useful lives of intangible assets and have also reviewed the carrying amount of intangible assets for impairment.

There are no restrictions over the title of MBIE's intangible assets, nor are any intangible assets pledged as security for liabilities.

Included in intangible assets are \$4.876 million of capitalised contractors and consultants' costs (2023: \$13.853 million).

Other Assets and Liabilities

Other assets and liabilities disclosed in this section are those that are used and recorded as part of the course of our day-to-day operations. These include the balance of money due to MBIE for goods or services provided to the public and our obligation to settle balances owing to our suppliers and the Crown.

Note 10: Debtors and Other Receivables

P Debtors and Other Receivables

Debtors and other receivables are non-derivative financial assets, which are measured at amortised cost and initially recorded at the amount due.

Debtors and other receivables are subsequently revalued to the amount due less any allowance for credit losses. MBIE applies the simplified expected credit loss model of recognising lifetime expected credit losses for debtors and other receivables.

In measuring expected credit losses, debtors

and other receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Debtors and other receivables are written off when there are no reasonable expectations of recovery. Indicators that there are no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Actual 2023 \$000		Actual 2024 \$000
265,029	Debtor Crown	285,028
33,112	Residential Tenancies Trust Account revenue receivable	57,504
11,373	Trade debtors and other receivables	12,632
(987)	Less allowance for credit losses	(1,350)
14,309	Accrued receivables from exchange transactions	11,174
322,836	Total current debtors and receivables	364,988
	Non-current	
1,662	Bonds provided for offshore property leases	468
1,662	Total non-current debtor and other receivables	468
324,498	Total debtors and other receivables	365,456
26,357	Total debtors and other receivables from exchange transactions	22,924
298,141	Total debtors and other receivables from non-exchange transactions	342,532
324,498	Total debtors and other receivables	365,456

Note 10: Debtors and Other Receivables (continued)

The expected credit loss rates for receivables at 30 June 2024 and 30 June 2023 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period.

The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might

affect the recoverability of receivables. Given the short period of credit risk exposure, the effect of macroeconomic factors is not considered significant.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

Movements in the allowance for credit losses are as follows:

Actual 2023 \$000	Actual 2024 \$000
1,071 Opening balance as at 1 July	987
550 Additional provisions made during the year	845
(271) Provision reversed during the year	(363)
(363) Provisions utilised during the year	(119)
987 Closing balance as at 30 June	1,350

The allowance for credit losses at 30 June 2024 and 30 June 2023 was determined as follows:

30 June 2024	Receivables days past due				Total
	Not due	More than 30 days	More than 60 days	More than 90 days	
Gross carrying amount (\$000)	364,030	195	227	2,354	366,806
Lifetime expected credit loss (\$000)	(39)	(27)	(33)	(1,251)	(1,350)
Net carrying amount (\$000)	363,991	168	194	1,103	365,456
Expected credit loss rate	0.01%	14%	15%	53%	

30 June 2023	Receivables days past due				Total
	Not due	More than 30 days	More than 60 days	More than 90 days	
Gross carrying amount (\$000)	322,475	84	228	2,698	325,485
Lifetime expected credit loss (\$000)	(61)	(3)	(9)	(914)	(987)
Net carrying amount (\$000)	322,414	81	219	1,784	324,498
Expected credit loss rate	0.02%	4%	4%	34%	

The carrying value of debtors and other receivables approximates their fair value.

The non-current portion of debtors and other receivables relates to bonds given to property owners to secure offshore rental accommodation and offices.

All debtors and other receivables greater than 30 days in age are considered to be past due date. At 30 June 2024, \$2.776 million of debtors and other receivables were past due date (2023: \$3.010 million).

The provision for impairment of debtors and other receivables consists of specific individual impairment provisions, based on a review of overdue receivables.

The collective provision for impairment of \$1.350 million (2023: \$0.987 million) has been calculated based on an analysis of past collection history, the current economic environment and debt write-offs.

MBIE does not hold the collateral for debts greater than 90 days.

i Explanation of Major Variances Against Budget

Debtors and other receivables are \$40.859 million higher than Budget (Budget: \$324.597 million) mainly due to lower than expected Crown funding drawn down than initially budgeted. Additionally, there has been a notable rise in the funds held in

the Resident Tenancy Bond Trust Account, which along with higher interest rates have contributed to a higher overall interest receivable than originally forecasted.

Note 11: Creditors and Other Payables

P Short-term creditors and other payables are recorded at face value.

Actual 2023 \$000		Actual 2024 \$000
	Current	
39,366	Accrued expenses	38,534
28,840	Trade creditors	27,631
	– Creditor Crown	13,125
6,973	GST payable	11,433
75,179	Total current creditors and other payables	90,723
	Non-current	
	– Total non-current creditors and other payables	–
75,179	Total creditors and other payables	90,723

Creditors and other payables are non-interest bearing. The carrying value of creditors and other payables approximates their fair value.

Note 12: Unearned Income

P Unearned income relates to cash received in advance of the period in which it will be recognised as revenue.

Actual 2023 \$000		Actual 2024 \$000
3,731	Radio operations fees	3,772
1,314	Other revenue	466
5,045	Total unearned income	4,238

Radio operations fees relate to annual licence fees invoiced at the beginning of the period to which they relate and are recognised as unearned income where fees are paid for periods after 30 June 2024.

Note 13: Return of Operating Surplus

P MBIE’s obligation to return a portion of its operating surplus in accordance with the *Public Finance Act 1989* is recognised at face value as it is required to be paid by 31 October of each year, per Treasury Instructions.

Actual 2023 \$000		Notes	Actual 2024 \$000
142,363	Net (deficit)/surplus		57,879
	<i>Add back:</i>		
(31,146)	Net operating deficit/(surplus) in memorandum accounts	17	32,422
58	Unrealised net foreign exchange gains/(losses)		826
111,275	Return of operating surplus to the Crown		91,127

Note 14: Provisions

P Provisions

MBIE recognises a provision when there is a present obligation, either legal or constructive, as the result of a past event and it is probable that an outflow of resources will be required to settle the obligation but the timing or the amount of obligation is uncertain.

Provisions are not recognised for net deficits from future operating activities.

Where the effect of the time value of money is material, provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

Restructuring Provision

MBIE recognises provisions for restructuring when an approved, detailed, formal plan for a restructure has either been announced publicly to those affected or when implementation has already commenced.

Onerous Contracts Provision

MBIE recognises a provision for an onerous contract when the expected benefits or service potential to be derived from a contract are lower than the unavoidable costs associated with meeting the obligations of the contract. Such a provision is measured at the lower of the expected cost of terminating the contract and the net expected cost of continuing with the contract.

	Actual 2024			Actual 2023		
	Current \$000	Non-Current \$000	Total \$000	Current \$000	Non-Current \$000	Total \$000
Payroll remediation	760	–	760	760	–	760
Lease make-good	871	2,150	3,021	1,621	2,148	3,769
Restructuring	7,203	–	7,203	3,349	–	3,349
Other provisions	924	–	924	5,028	–	5,028
ACC partnership programme	124	44	168	109	39	148
Total provisions	9,882	2,194	12,076	10,867	2,187	13,054

	Payroll Remediation \$000	Lease Make-Good \$000	Restructuring \$000	Other Provisions \$000	ACC Partnership Programme \$000	Onerous Lease \$000	Total \$000
Balance at 1 July 2022	817	3,067	6,603	30,843	162	2,672	44,164
Additional provisions made	–	3,769	3,331	287	–	–	7,387
Provision utilised during the year	(57)	(220)	(2,758)	(3,390)	–	(2,672)	(9,097)
Reversal of previous provision	–	(2,847)	(3,827)	(22,422)	(14)	–	(29,110)
Balance at 30 June 2023	760	3,769	3,349	5,028	148	–	13,054
Additional provisions made	–	873	16,549	1,183	20	–	18,625
Provision utilised during the year	–	(22)	(10,772)	(547)	–	–	(11,341)
Reversal of previous provision	–	(1,599)	(1,923)	(4,740)	–	–	(8,262)
Balance at 30 June 2024	760	3,021	7,203	924	168	–	12,076

Note 14: Provisions (continued)

Payroll Remediation Project

The payroll remediation project to correct historical *Holidays Act 2003* payroll issues has now been completed. The remaining provision at 30 June 2024 represents MBIE’s best estimate of the remaining remediation costs to be paid out. This now only relates to former employees where they have not yet been contacted, verified and for whom the required documentation has been received. MBIE continues to try to contact these former employees.

Lease Make Good

MBIE is required, at the expiry of its leases, to make good any damage caused and remove any fixtures or fittings installed by it. In many cases MBIE has the option to renew these leases, which may change the timing of the expected cash outflows to make good the premises.

Onerous Lease

The provision for onerous lease arises from non-cancellable leases where the unavoidable costs of meeting the lease contracts exceed the economic benefits being received.

The lease is onerous due to the site closure of the offshore Immigration Visa Processing office in Beijing. The lease contract expired in February 2023 and the onerous lease provision had been fully released.

Restructuring

The restructuring provision arises from internal restructuring programmes. The restructuring provision relates to the expected redundancies resulting from change programmes within MBIE. Management expects this to happen in the next 12 months.

Other Provisions

Other provisions include provision for early termination fee, cost for reducing usage of the network service and other pending disputes under review.

i	Explanation of Major Variances Against Budget
Provisions are \$32.088 million lower than the Budget (Budget: \$44.164 million) mainly due to additional provisions for pending disputes	under review included in the Budget which were subsequently reversed.

Note 15: Employee Entitlements

Sick leave, annual leave, vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Current Employee Entitlements

Current employee entitlements are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date; annual leave earned but not yet taken at balance date; retirement and long service leave entitlements expected to be settled within 12 months; sick leave; and performance payments.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that MBIE anticipates it will be used by staff to cover those future absences.

A liability for performance payments is recognised where MBIE has a contractual obligation or where there is a past practice that has created a constructive obligation.

Non-Current Employee Entitlements

Non-current employee entitlements, such as long service leave and retirement gratuities, are calculated on an actuarial basis. The calculations are based on:

- › likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlements information
- › the present value of the estimated future cash flows.

Termination Benefits

Termination benefits are recognised in the surplus or deficit only when there is a demonstrable commitment to either terminate employment prior to normal employment date or to provide such benefits as a result of a position becoming redundant. Termination benefits settled within 12 months are reported at the amount expected to be paid.

Note 15: Employee Entitlements (continued)

	Actual 2024			Actual 2023		
	Current \$000	Non- current \$000	Total \$000	Current \$000	Non- current \$000	Total \$000
Accrued salary	18,131	–	18,131	18,590	–	18,590
Annual leave	44,259	–	44,259	42,857	–	42,857
Long service leave	2,292	6,029	8,321	2,123	5,074	7,197
Retirement leave	825	1,472	2,297	1,284	1,617	2,901
Sick leave	1,436	–	1,436	1,157	–	1,157
Total employee entitlements	66,943	7,501	74,444	66,011	6,691	72,702

An independent actuarial valuation was undertaken by Chris Sissons of Melville Jessup Weaver as at 30 June 2024 to estimate the present value of retirement leave and long service leave. The key assumptions used in determining the present values were:

- › term-specific discount rates derived from yields on Treasury Bills and Government Bonds
- › a salary growth rate of 1.5 per cent on 1 July 2024.

Sensitivity Analysis

If the discount rate were to increase or decrease by 1 per cent more than MBIE's estimates, with all other factors held constant, the carrying amount of the liability would be \$0.405 million lower and \$0.446 million higher respectively (2023: \$0.359 million lower and \$0.395 million higher).

If the salary growth rate were to increase or decrease by 1 per cent more than MBIE's estimates, with all other factors held constant, the carrying amount of the liability would be \$0.518 million higher and \$0.477 million lower respectively (2023: \$0.460 million higher and \$0.425 million lower).

The current liability represents the amount due for potential settlement within the next 12 months.

i Explanation of Major Variances Against Budget

Employee Entitlements are \$9.016 million lower than the Budget (Budget: \$83.460 million) mainly due to the budget containing employee

entitlements that did not materialise as expected during the period.

Financial Risk Management

We are exposed to various financial risks. This section discusses how financial risks can affect our financial position and net surplus or deficit and how we manage risks in order to minimise risk exposure.

Note 16: Financial Instruments and Risk Management

P Classification of Financial Instruments

Financial instruments are initially recognised at fair value and subsequently measured at amortised cost or at fair value either through surplus or deficit, or through comprehensive revenue and expense. This classification is made by reference to the purpose and nature of the financial instrument or group of financial instruments.

Non-Derivative Financial Assets and Liabilities

Non-derivative financial assets are subsequently measured at amortised cost if they are held for the purpose of collecting contractual cash flows and those cash flows are solely related to payments of principal and interest. Interest, impairment losses and foreign exchange gains and losses are recognised in the Statement of Comprehensive Revenue and Expense.

Non-derivative financial liabilities are subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost and include cash on hand, deposits held on call with banks, and other short-term, highly liquid investments with original maturities of three months or less. Balances denominated in foreign currencies are translated to New Zealand dollars at the foreign exchange rate at balance date. MBIE is only permitted to spend its cash and cash equivalents within the scope and limits of its appropriations.

Allowances for expected losses

An expected credit loss model is used to recognise and calculate impairment losses for financial assets subsequently measured at amortised cost with the simplified approach to providing credit losses being applied to trade and other receivables.

MBIE has adopted the simplified approach to impairment provision for trade and other receivables. The provision is recognised at an amount equal to lifetime expected credit losses. The allowance for doubtful debts on individually significant trade and other receivables is determined on an individual basis, and those deemed to be not individually significant are assessed on a portfolio basis.

Note 16: Financial Instruments and Risk Management (continued)

P Derivative Financial Assets and Liabilities

Derivative financial instruments are used to manage the exposure to foreign exchange risk arising from MBIE's operational activities. MBIE does not hold or issue derivative financial instruments for trading purposes. MBIE has not adopted hedge accounting.

Derivative financial instruments are recognised and subsequently measured at fair value. Movements in the fair value are recognised as gains or losses in the Statement of Comprehensive Revenue and Expense. When the fair value of the derivative is positive, it is treated as an asset, and when the fair value is negative, it is treated as a liability. Fair values are obtained from quoted market prices in active markets. Derivative financial instruments are not used for hedging.

Fair value hierarchy

For those instruments recognised at fair value in the Statement of financial position, fair values are determined according to the following hierarchy:

1. Quoted market price (level 1) – financial instruments with quoted prices for identical instruments in active markets.
2. Valuation technique using observable inputs (level 2) – financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
3. Valuation techniques with significant non-observable inputs (level 3) – financial instruments valued using models where one or more significant inputs is not observable.

MBIE's departmental financial assets and liabilities as at 30 June 2024 and 2023 were valued at fair value using observable inputs (level 2). There are no quoted market prices (level 1) for these instruments.

There were no transfers between the different levels of the fair value hierarchy.

Note 16: Financial Instruments and Risk Management (continued)

MBIE's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. MBIE has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market Risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

MBIE's largest direct foreign exchange exposure arises from the offshore branch and agency network that provides immigration services. Application fees are collected in more than 20 currencies through this network. The offshore branch network incurs local expenses, providing a natural hedge for the branch revenue. MBIE's convention is for branches to retain buffers in foreign currency accounts up to the value of an average month's expenditure.

Under MBIE's foreign exchange management policy, MBIE returns excess funds to New Zealand and converts them to New Zealand dollars.

Application fees are set by regulation in New Zealand dollars. Foreign currency equivalent fees are set by MBIE to reflect the New Zealand amount. Foreign currency transaction exposure is also mitigated to some extent by the ability of MBIE to initiate updates of foreign currency fees to bring them into line with prevailing market conditions.

Sensitivity analysis

Impact of a 5 per cent movement, both up and down, in the New Zealand dollar against other currencies held by MBIE in its foreign currency account with all other variables held constant at 30 June 2024 is not material for MBIE's net surplus (2023: not material).

Fair value interest rate risk

Interest rate risk is the risk that the fair value of, or cash flows from, a financial instrument will fluctuate due to changes in market interest rates. MBIE has no significant exposure to interest-bearing financial instruments and therefore does not experience interest rate risk.

Credit risk

Credit risk is the risk that a third party will default on its obligations to MBIE, resulting in a loss. In the ordinary course of MBIE's business, it is exposed to credit risk in association with financial assets held. MBIE is not exposed to significant concentrations of credit risk. MBIE is potentially exposed to credit risk for undrawn credit card facilities equal to the undrawn balance. The credit card facilities limit as at 30 June 2024 was \$3.200 million (2023: \$3.200 million).

MBIE uses Westpac as its main bank, which has a Standard & Poor's credit rating of AA-, and MBIE enters into foreign exchange contracts with the Treasury, which has a Standard & Poor's credit rating of AA+.

MBIE's maximum credit exposure is the carrying value of its financial assets. MBIE does not hold collateral as security against its financial assets.

Although cash and cash equivalents as at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Liquidity risk

Liquidity risk is the risk that MBIE will encounter difficulty raising liquid funds to meet its commitments as they fall due. In meeting its liquidity requirements, MBIE closely monitors its forecast cash requirements.

MBIE expects to settle all of its financial liabilities in a timely manner.

Note 16: Financial Instruments and Risk Management (continued)

The carrying amounts of financial assets and financial liabilities in each financial instrument category are as follows.

Actual 2023 \$000		Notes	Actual 2024 \$000
Financial assets measured at amortised cost			
269,984	New Zealand held cash		244,418
19,404	Foreign currencies		16,462
289,388	Cash and cash equivalents		260,880
324,498	Debtors and other receivables	10	365,456
613,886	Total financial assets		626,336
Financial liabilities measured at amortised cost			
75,179	Creditors and other payables	11	90,723
75,179	Total financial liabilities		90,723

The following table analyses MBIE's financial liabilities, excluding derivatives, that will be settled, based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

2024	Carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Creditors and other payables	90,723	90,723	90,723	–	–
Total	90,723	90,723	90,723	–	–

2023	Carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Creditors and other payables	75,179	75,179	75,179	–	–
Total	75,179	75,179	75,179	–	–

The notional principal amounts of outstanding foreign exchange forward contracts are as follows.

	Actual 2024 \$000		Actual 2023 \$000	
	Foreign Currency	NZD	Foreign Currency	NZD
Euro	–	–	50	89

Other Disclosures

This section provides further information on MBIE's equity and how our capital is managed. A number of our services are not funded by the Crown but by third-party users of those services. The revenue we receive for services and the costs we incur to provide them will not necessarily agree in each financial year. We therefore use memorandum accounts to record accumulated surpluses or deficits. Over the long term, memorandum account balances are expected to trend towards zero. Memorandum accounts provide transparency around outputs for which costs are fully recovered by fees, levies and other charges from third parties.

Note 17: Equity

P Equity

Equity is the Crown's investment in MBIE and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds, memorandum accounts and revaluation reserves.

Property Revaluation Reserves

Revaluation reserves relate to the revaluation of land and buildings to their fair value.

Memorandum Accounts

Memorandum accounts reflect the cumulative surplus or deficit of those departmental services that are intended to be fully cost recovered from third parties through fees, levies or charges. The balance of each memorandum account is expected to trend towards zero over time.

Note 17: Equity (continued)

Taxpayers' Funds

Actual 2023 \$000		Notes	Actual 2024 \$000
533,727	Balance at 1 July		484,120
142,363	Net (deficit)/surplus		57,879
85,971	Capital injections		95,943
	– Capital withdrawal		(5,185)
(139,926)	Other transfers to memorandum accounts		–
4,406	Other movement		(13,125)
(31,146)	Transfer of net memorandum account accumulated (surpluses)/deficits for the year		32,422
(111,275)	Return of operating surplus to the Crown	13	(91,127)
484,120	Balance at 30 June		560,927

Note: MBIE pays a capital charge to the Crown on its taxpayers' funds at 31 December and 30 June each financial year (refer to Note 7).

Property Revaluation Reserves

Actual 2023 \$000		Actual 2024 \$000
	Revaluation reserves:	
26,842	Balance at 1 July	33,966
7,124	Revaluation reserve movement	(382)
33,966	Balance at 30 June	33,584

Actual 2023 \$000		Actual 2024 \$000
	Property revaluation reserves consist of:	
13,647	Land revaluation reserve	12,447
20,319	Buildings revaluation reserve	21,137
33,966	Total property revaluation reserves	33,584

Note 17: Equity (continued)

Memorandum accounts	Balance at 1 July \$000	Other revenue \$000	Departmental revenue and financial income \$000	Expenses \$000	Surplus/ (deficit) for the year \$000	Other Adjustment / Capital contribution \$000	Balance at 30 June \$000
Year ended 30 June 2023							
Building controls	66,184	48,624	–	(43,218)	5,406	–	71,590
Registration and granting of intellectual property rights	26,510	28,221	10	(33,753)	(5,522)	1,821	22,809
Government procurement reform agenda	24,931	31,371	1,118	(25,428)	7,061	–	31,992
Registration and provision of statutory information	7,174	32,227	–	(38,324)	(6,097)	–	1,077
Management and enforcement of the <i>Radiocommunications Act 1989</i>	8,401	7,857	–	(10,013)	(2,156)	–	6,245
Occupational licensing – building practitioners	4,138	6,443	56	(7,307)	(808)	–	3,330
Occupational licensing – electrical workers	1,162	6,503	–	(7,249)	(746)	–	416
Standards New Zealand	(1,271)	6,153	45	(7,584)	(1,386)	–	(2,657)
<i>Unit Titles Act 2010</i>	(363)	141	–	(329)	(188)	–	(551)
Motor Vehicle Traders Register	(1,367)	2,114	–	(1,883)	231	–	(1,136)
National multi-use approvals	(1,965)	(27)	–	(279)	(306)	–	(2,271)
Electronic travel authority	(12,493)	21,848	–	(14,464)	7,384	8,834	3,725
Management of the Crown mineral estate	(2,897)	4,344	–	(4,350)	(6)	–	(2,903)
Immigration visa	(108,887)	255,428	30	(227,179)	28,279	129,271	48,663
Closing balance	9,257	451,247	1,259	(421,360)	31,146	139,926	180,329
Year ended 30 June 2024							
Building controls	71,590	37,290	–	(49,785)	(12,495)	–	59,095
Registration and granting of intellectual property rights	22,809	31,037	–	(36,600)	(5,563)	–	17,246
Government procurement reform agenda	31,992	24,432	82	(24,971)	(457)	–	31,535
Registration and provision of statutory information	1,077	32,629	12	(35,527)	(2,886)	–	(1,809)
Management and enforcement of the <i>Radiocommunications Act 1989</i>	6,245	7,926	–	(10,798)	(2,872)	–	3,373
Occupational licensing – building practitioners	3,330	6,298	–	(7,392)	(1,094)	–	2,236
Occupational licensing – electrical workers	416	6,610	–	(7,950)	(1,340)	–	(924)
Standards New Zealand	(2,657)	5,832	522	(7,400)	(1,046)	–	(3,703)
<i>Unit Titles Act 2010</i>	(551)	109	–	(363)	(254)	–	(805)
Motor Vehicle Traders Register	(1,136)	2,187	–	(1,997)	190	–	(946)
National multi-use approvals	(2,271)	33	–	(315)	(282)	–	(2,553)
Electronic travel authority	3,725	26,206	–	(23,526)	2,680	–	6,405
Management of the Crown mineral estate	(2,903)	4,692	–	(4,798)	(106)	–	(3,009)
Immigration visa	48,663	263,292	60	(270,249)	(6,897)	–	41,766
Closing Balance	180,329	448,573	676	(481,671)	(32,422)	–	147,907

Note 17: Equity (continued)

Action Taken to Address Surpluses/(Deficits)

Building controls (surplus)

The building controls memorandum account balance has decreased to \$59.1 million at 30 June 2024. This is due to an increase in expenditure while experiencing lower than anticipated revenue. The increase in expenditure results from an increased work programme by taking a system-wide approach. The decrease in revenue is driven by building consent activity returning to lower levels. Changes to the building levy threshold have been confirmed and are effective from 1 July 2024. This change is expected to result in a small reduction in revenue over the coming year. The levy rate and threshold are required to be reviewed every three years, which provides a further opportunity for adjustment if required.

Registration and granting of intellectual property rights (surplus)

A fee review for trademarks and patents was approved by Cabinet in March 2019 and implemented in February 2020. The trademark fees were set below cost recovery in order to reduce the memorandum account surplus by approximately \$6 million per year to around \$10 million in June 2024. The volumes and revenue were much higher than expected in the period to June 2022. As a result, the memorandum account did not reduce as quickly as expected in that period. In the past two years, the trademark volumes have remained flat and the annual deficit has been closer to what was planned. The memorandum account is now expected to reduce to around \$9 million by June 2025. A fees review is underway and expected to make adjustments to fees in 2025/26 with the intention to stabilise the memorandum account balance to around \$5 million by June 2026.

Government procurement reform agenda (surplus)

The administration fee is continually reviewed for appropriateness and to ensure it meets the current and future costs of delivering and managing procurement system leadership including capability building across the system, all-of-government contracts and policy development and implementation. A significant programme of work is underway regarding data and transparency, agency collaboration and maximising public value with additional investment being made in electronic systems to allow efficient and effective engagement between government buyers and suppliers. This, coupled with a decrease in revenue from changes to the way talent acquisition services are levied and a decrease in spending by government agencies means a reduction in the surplus is forecasted for 2024/25.

Registration and provision of statutory information (deficit)

New fees took effect on 1 July 2017 to reduce the surplus position in the memorandum account. The memorandum account reached a deficit balance in 2023/24. Public consultation on a new fees and levy structure is planned for 2024/25 with new charges to be implemented within the 2024/25 financial year.

Management and enforcement of the Radiocommunications Act 1989 (surplus)

New fees took effect on 1 October 2017 with a desired reduction in the surplus. The surplus has been reducing as planned and forecast to reach a nil balance by 2026/27. Work will commence in 2024/25 to reset the fees to full cost recovery by 2025/26.

Note 17: Equity (continued)

Occupational licensing, building practitioners (surplus) and Occupational licensing, electrical workers (deficit)

New fees were put in place in January 2019. The building practitioners' memorandum account is currently in surplus and trending down. The electrical workers' memorandum account reached to a deficit balance in 2023/24. Work will commence in 2024/25 on addressing the downward trend of the memorandum accounts and adjust fees to ensure a large deficit balance is not incurred.

Standards New Zealand (deficit)

Standards New Zealand implemented its pricing review in 2021/22 which reset pricing across all its products and services, taking into account its cost structure and the introduction of new products/services over a 10-year horizon. Though the memorandum account will remain in deficit for a number of years, the trend will be towards a nil balance the next ten years. A further pricing review will be conducted in 2024/25.

Motor Vehicle Traders Register (deficit)

The new fees took effect on 1 August 2022. The level of fees includes recovering the deficit over a five-year period. It is forecast that the memorandum account will reach a nil balance by 2026/27.

National multi-use approvals (deficit)

The cost model for MultiProof is under review to find a preferred option to resolve the deficit that has accrued and to consider cost recovery options going forward. This may result in a fee review commencing in the 2024/25 financial year.

Management of Crown mineral estate (deficit)

The memorandum account deficit remains at similar levels of revenue and expenses to previous years. We intend to undertake a review of fees associated with the *Crown Minerals Act 1991* in order to develop options to address the deficit.

Electronic travel authority (surplus) and Immigration visa (surplus)

The immigration visa memorandum account surplus is trending down mainly due to increased expenditure related to work to improve the timeliness of visa applications and system improvements. A full fee and levy review has been carried out in 2023/24 to help Immigration New Zealand to become less reliant on Crown funding. The new rates will apply from October 2024 and the current projection shows the memorandum account will return to a neutral balance by 2027/28. The electronic travel authority memorandum account surplus has trended upwards in 2023/24. This is revenue related with higher volumes than forecast, however volumes have started to trend down over the last quarter.

Unit Titles Act 2010 (deficit)

In 2023/24, there was a significant increase in Unit Titles Act applications and in mediations held, which also resulted in an ongoing increase to calls on the Unit Titles Act line. Additionally, from May 2024, phase three of the Unit Titles Act amendments came into force which widened the scope of accountability, no associated resources or funding were received. The amendments this year have also increased activity to the call centre and may also increase dispute resolution activity further. The additional funding received in Budget 2022 provided some funding for the original income decrease, however it does not take into account the subsequent amendments and increase in activity. This has resulted in a further increase in the memorandum account deficit.

Note 18: Capital Management

The objective of managing MBIE's equity is to ensure that MBIE achieves its goals and objectives efficiently, while remaining a going concern. Where MBIE identifies that it does not have sufficient resources to achieve this objective, a capital injection is sought. Capital injections have and will be secured to ensure obligations are met as they fall due. MBIE will therefore continue to operate on a going concern basis.

As general government policy, with the exception of the balances retained in memorandum accounts and unrealised foreign exchange gains less losses, MBIE is

not permitted to retain any operating surplus. MBIE's capital is its equity, which comprises taxpayers' funds, memorandum accounts, and property revaluation reserves. Equity is represented by net assets. MBIE manages its revenues, expenses, assets, liabilities, and general financial dealings prudently.

MBIE's equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities, and compliance with the government budget processes, Treasury Instructions, and the *Public Finance Act 1989*.

Actual 2023 \$000	Statement of departmental capital injections	Actual 2024 \$000	Unaudited Budget 2024 \$000
Vote Business, Science and Innovation			
85,971	MBIE – capital injection	95,943	22,730
–	– MBIE – capital withdrawal	(5,185)	–

Note 19: Related Party Transactions and Key Management Personnel

All related party transactions have been entered into on an arm's-length basis.

MBIE is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client-recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect MBIE would have adopted in dealing with the party at arm's-length in

the same circumstances. Further, transactions with other government agencies are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Treasury has advised that the responsible Ministers have certified that there have been no related party transactions for the year ended 30 June 2024 (2023: nil).

Actual 2023 \$000	Key management personnel compensation	Actual 2024 \$000
Leadership Team, including the Chief Executive		
4,589	Remuneration	4,203
12	Full-time equivalent staff	10

The above key management personnel disclosure excludes the ministers' remuneration. The remuneration of ministers and other benefits are set by the Remuneration Authority under the *Members of Parliament (Remuneration of Services) Act 2013* and are paid under PLA, and not paid by MBIE.

Note 20: Events After the Balance Date

There have been no material events subsequent to balance date.

Non-Departmental Schedules

Why We Include Non-Departmental Schedules?

MBIE administers non-departmental activities on behalf of the Crown. As such, MBIE is responsible for the effective and efficient administration of contracts or payments for non-departmental activities and revenue or receipts. The *Public Finance Act 1989* makes the Chief Executive of MBIE accountable for the financial management of non-departmental activities.

We include the non-departmental schedules in our annual report to provide information on the financial extent of these activities.

What are Non-Departmental Schedules?

The non-departmental schedules are prepared in accordance with Treasury Instructions and disclose non-departmental activities in the form of six separate schedules for revenue, expenses, assets, liabilities, commitments and contingencies.

The non-departmental schedules do not, and are not intended to, constitute a set of financial statements and therefore do not include elements that would be expected to be found in financial statements such as details of the surplus/(deficit) or a balance sheet.

What Principles are Applied?

The measurement and recognition rules applied to the non-departmental schedules are consistent with NZ GAAP.

Schedule of Non-Departmental Revenue

For the year ended 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000
501,056	Levies	3	583,646	491,438
213,369	Crown mineral royalties		220,562	182,510
22,792	Criminal proceeds (recovery)		6,670	20,000
39,221	Sale of radio spectrum		40,556	60,967
22,669	Tax revenue		21,450	21,500
14,761	Other revenue		38,292	8,609
8,071	Provision for Weathertight Services		–	–
237	Interest unwind – loans		1,192	–
–	Dividend revenue		19,173	–
822,176	Total non-departmental revenue		931,541	785,024

Explanation of major variances against Budget and significant accounting policies can be found in Note 3.

Schedule of Non-Departmental Expenditure

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000	Unaudited Budget 2024 \$000
2,569,640	Vote Business, Science and Innovation	2,672,686	2,991,618
2,212,251	Vote Labour Market	2,364,055	2,364,763
56,178	Vote Building and Construction	60,324	81,952
726,569	GST input expense	768,914	814,851
(6,201)	Doubtful debts	493	–
–	Provision for Weathertight Services	1,624	–
5,558,437	Total non-departmental expenditure	5,868,096	6,253,184

The total Vote Business, Science and Innovation is \$314.932 million lower than the Budget (Budget: \$2,991.618 million) mainly due to lower than expected spend relating to the Science, Innovation and Technology sector, and the Energy and Resources sector.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2024.
The accompanying notes form part of these non-departmental schedules.

Schedule of Non-Departmental Assets

As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000
Current assets				
770,715	Cash and cash equivalents	9	457,347	526,184
380,256	Debtors and other receivables	4, 9	388,214	397,343
10,828	Loans	9	30,130	22,592
3,595	Prepayments		2,609	1,975
144	Foreign exchange contracts	9	–	233
1,165,538	Total current assets		878,300	948,327
Non-current assets				
64,978	Loans	9	72,320	178,530
14,000	Investment in joint venture	10	14,000	14,000
22,670	Property and equipment	5	13,055	15,796
101,648	Total non-current assets		99,375	208,326
1,267,186	Total non-departmental assets		977,675	1,156,653

Explanation of major variances against Budget can be found in the relevant notes. In addition, MBIE monitors Crown entities and the Crown's investment in those entities is consolidated in the Financial Statements of the Government on a line-by-line basis. The investment in those entities is not included in this schedule.

Schedule of Non-Departmental Liabilities

As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000	Unaudited Budget 2024 \$000
Current liabilities				
535,680	Provisions	8	355,731	374,909
165,756	Creditors and other payables	6, 9	134,936	192,467
42,874	Unearned income	7	39,047	–
658	Employee entitlements		662	730
54	Foreign exchange contracts	9	575	–
745,022	Total current liabilities		530,951	568,106
Non-current liabilities				
375,483	Unearned income	7	365,592	413,060
42,197	Provisions	8	18,572	68,725
417,680	Total non-current liabilities		384,164	481,785
1,162,702	Total non-departmental liabilities		915,115	1,049,891

Explanation of major variances against Budget can be found in the relevant notes.

The accompanying notes form part of these non-departmental schedules.

Schedule of Non-Departmental Commitments

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Capital commitments	
7,530	Loans	3,000
31,423	Investments	26,070
38,953	Total capital commitments	29,070
	Non-cancellable operating lease commitments	
	– Not later than one year	128
	– Total non-cancellable operating lease commitments	128
38,953	Total commitments	29,198

Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for but not recognised as paid or provided for at balance date.

Cancellable capital commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are included in the Statement of Commitments at the lower of the remaining contractual commitment and the value of those penalty or exit costs (that is, the minimum future payments).

Loans

MBIE on behalf of the Crown has one WorkSafe New Zealand loan commitment of \$3 million (2023: one WorkSafe New Zealand loan commitment of \$7.530 million).

Investments

MBIE on behalf of the Crown, and the Energy Efficiency & Conservation Authority have entered tripartite agreements with 23 Crown entities in 2024 (2023: 23 Crown entities) for projects funded from the State Sector Decarbonisation Fund. Capital funding for these projects is being released on completion of milestones and as at 30 June 2024, \$25.929 million of funding was committed but not paid under these agreements (2023: \$29.710 million).

In addition, MBIE on behalf of the Crown entered into a contractual agreement with a property development company. The contract is for the design, construction, delivery and installation of relocatable houses to meet the needs of displaced whānau impacted by Cyclone Gabrielle in the Hawke's Bay region. The total capital commitment as at 30 June 2024 is \$0.141 million (2023: \$1.713 million).

The accompanying notes form part of these non-departmental schedules.

Schedule of Non-Departmental Contingent Liabilities and Contingent Assets

As at 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Quantifiable contingent assets	
3,413	Criminal proceeds (recovery)	4,358
3,413	Total quantifiable contingent assets	4,358
	Quantifiable contingent liabilities	
28	Guarantees and indemnities	28
28	Total quantifiable contingent liabilities	28

Contingent Liabilities

Contingent liabilities are reported at the point at which the contingency is evident or when a present liability is unable to be measured with sufficient reliability to be recorded in the financial statements.

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits or service potential is considered remote.

Quantifiable Contingent Liabilities

There is one quantifiable contingent liability relating to a coal mining lease and satisfaction of obligations under that lease.

Unquantifiable Contingent Liabilities

Claim against the Crown for breach of fiduciary duty

There is a historical claim for breaches of fiduciary duties and for a constructive trust. A decision on the allocation of any potential liability rests with Cabinet. Both the extent of the potential liability and the proportion MBIE would be responsible for are unknown.

Grounded New Zealand citizens and residents trying to enter New Zealand

New Zealand citizens or residents are taking action where they perceive they have been excluded from entering New Zealand as a result of COVID-19 related border settings.

Appeal on Crown proceedings decision

The plaintiff has brought very widely drawn proceedings against the Crown for failing to take steps to reduce the adverse effects of climate change. As relief, the plaintiff is seeking a variety of declarations and costs. In July 2022, the High Court struck out the plaintiff's claim in its entirety. In August 2022, the plaintiff filed an application to appeal the High Court's decision.

The accompanying notes form part of these non-departmental schedules.

Contingent Assets

Contingent assets are reported at the point at which the contingency is evident or when a present asset is unable to be measured with sufficient reliability to be recorded in the financial statements.

Criminal proceeds (recovery)

Under the *Criminal Proceeds (Recovery) Act 2009*, the Court has the power to order seizure of property that has been derived directly or indirectly from criminal activity. The Official Assignee on behalf of the Crown works with other departments and Crown agencies by providing expertise for efficient and effective asset seizure, management, and disposal.

Quantifiable Contingent Assets

The estimated fair value of \$4.358 million has been identified as contingent assets for the 2023/24 year (2023: \$3.413 million). They are from all the assets linked with forfeiture orders issued by the Court, still within the expiry of the specified period of appeal at 30 June 2024.

Unquantifiable Contingent Assets

The *Criminal Proceeds (Recovery) Act 2009* directs the Official Assignee to take into custody and control assets that are ordered to be restrained by the Court. The restrained property value forms part of the unquantifiable contingent asset at 30 June 2024 as the property under restraint by the Court has a high probability of transferring to the Crown, but cannot be reliably quantified.

Note 1: Reporting Entity

The non-departmental schedules present financial information on public funds managed by MBIE on behalf of the Crown.

The non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2024. For a full understanding of the Crown's financial position, results of operations and cash flows for the year, reference should be made to the Financial Statements of the Government.

Note 2: Basis of Preparation and Accounting Policies

Basis of Preparation

The non-departmental schedules have been prepared in accordance with the accounting policies of the consolidated Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental schedules are consistent with NZ GAAP New Zealand generally accepted accounting practice (tier 1 Public Benefit Entity (PBE) Accounting Standards.

New or Amended Standards Adopted

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. MBIE has adopted the revised PBE standards, and the adoption did not result in any significant impact on MBIE's financial statements.

Standard Issued and Not Yet Effective and Not Early Adopted

Standards and amendments that have been issued but are not yet effective and that have not been early adopted and that are relevant to MBIE are:

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Amendments to *PBE IPSAS 1 Presentation of Financial Reports* change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services.

The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

PBE IFRS 17 Insurance Contracts

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026.

These amendments and the new standard are not expected to have a significant impact.

Significant Accounting Policies

The following significant accounting policies have been applied. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

Certain non-departmental accounting policies are substantially the same as those disclosed in the departmental financial statements. The following accounting policies can be found in Note 2 to the departmental financial statements:

- › Functional and presentation currency
- › Change in accounting policies
- › Foreign currency transactions
- › Contingent liabilities and contingent assets
- › Critical accounting estimates, assumptions and judgements in applying accounting policies

Additionally, where an accounting policy that is disclosed in a specific note is substantially the same as that disclosed in the departmental financial statements, reference is provided as to where that accounting policy can be found in the departmental financial statements.

Grant Expenditure

Non-discretionary grants are awarded if the grant application meets the specified criteria. They are recognised as an expense when the application has been received. MBIE's non-discretionary grants have no substantive conditions (i.e. use for restricted purposes or repay).

For discretionary grants MBIE has no obligation to award a grant on receipt of an application. For discretionary grants without substantive conditions, the total committed funding is recognised as an expense when the grant is approved, and the approval has been communicated to an applicant.

Discretionary grants with substantive conditions are recognised as an expense at the earlier of the grant payment date or when the grant conditions have been satisfied.

Goods and Services Tax (GST)

All items in the non-departmental schedules are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. In accordance with Treasury Instructions, GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Budget Figures

The 2024 Budget are the Main Estimates figures for the year ended 30 June 2024 and are consistent with MBIE's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update 2023 for this year.

Note 3: Revenue

P Revenue from Non-Exchange Transactions

Levies

Revenue from the collection of levies is a non-exchange transaction because the payment of these levies does not entitle the payer to a direct benefit from the Crown. The revenue recognition point is when the obligation to pay a levy has been incurred.

Fees

Revenue from fees is recognised as income in the period when the service was provided.

Criminal proceeds (recovery)

The Official Assignee on behalf of the Crown is responsible for administering the forfeiture of property under the *Criminal Proceeds (Recovery) Act 2009*. Under the Act, the Court has the power to order seizure of property that has been derived directly or indirectly from criminal activity. When the forfeited assets are sold or disposed of by the Official Assignee the resulting funds, after recovery of the expenses, are distributed to approved other parties. Any surplus funds are transferred to the Crown account via Criminal Proceeds (Recovery) Trust Account.

Criminal proceeds (recovery) revenue is recognised as revenue and accrued for the estimated fair value linked with forfeiture orders issued by the Court, following the expiry of the specified period of appeal.

Interest unwind – loans

At the point of recognition, concessionary loans are discounted to fair value, predominantly to reflect the time value of money. As concessionary loans become closer to being repaid, their present value increase. This increase in value is recognised as interest unwind.

The interest unwind has been calculated using the discount rate at the start of the year, which ranges from 4.2 per cent to 15 per cent.

Crown mineral royalties

Revenue from royalties charged on the mining of petroleum and minerals is a non-exchange transaction because the payment of royalties does not entitle the payer to a direct benefit from the Crown. The revenue recognition point is when the obligation to pay a royalty has been incurred.

Note 3: Revenue (continued)

Levies

Actual 2023 \$000		Actual 2024 \$000
	Levies	
110,661	Health and safety at work levy	152,979
101,378	Electricity Authority levy	112,363
86,807	Immigration and migrant levies	96,874
44,871	International visitor levy	62,509
55,605	Financial Markets Authority levy	59,131
52,198	Energy safety levy	56,360
17,325	Telecommunications regulation levy	12,043
10,882	Telecommunications development levy	11,609
9,258	Levy on electricity line business	10,693
4,061	External Reporting Board levy	4,095
4,268	Levy on natural gas services	2,373
2,487	Major hazards facilities levy	1,518
1,255	Levy on regulated airports	1,099
501,056	Total levies revenue	583,646



Explanation of Major Variances Against Budget

Total non-departmental revenue is \$146.517 million higher than the Budget (Budget: \$785.024 million). This comprises higher levies revenue, including the Immigration Levy, which has continued to increase more than anticipated following the re-opening of

the New Zealand border. It also includes a one-off dividend received from Crown Regional Holdings Limited and higher than forecast Health and Safety at Work levies as the market continues to recover from the effects of the pandemic.

Note 4: Debtors and Other Receivables

P Debtors and Other Receivables

Debtors and other receivables are non-derivative financial assets measured at amortised cost and initially recorded at their face value. Debtors and other receivables are subsequently revalued to face value less any allowance for expected future credit losses when there is objective evidence that the asset is impaired.

Impairment relating to expected future credit losses occurs when there is evidence that the full amount due is not collectable. The amount of the impairment is the difference between the carrying amount and the present value of the amount expected to be collected.

Actual 2023 \$000		Actual 2024 \$000
Receivables from exchange transactions		
139,526	Other receivables	167,947
(4,481)	Less allowance for credit losses	(5,832)
135,045	Net receivables from exchange transactions	162,115
Receivables from non-exchange transactions		
244,521	Fine, levy and penalties receivables	225,502
20,825	Overclaimed income-related rent subsidy	20,239
(20,135)	Less allowance for credit losses	(19,642)
245,211	Net receivables from non-exchange transactions	226,099
380,256	Total debtors and other receivables	388,214

The carrying value of debtors and other receivables approximates their fair value.

As at 30 June 2024, debtors and other receivables of \$389.214 million were not past due (2023: \$377.385 million). Debtors and other receivables greater than 30 days in age are considered to be past due but not impaired. The provision for impairment of debtors and other receivables consists of specific individual impairment provisions based on a review of overdue

receivables, and a collective impairment provision based on an analysis of past collection history and debt write-offs.

The collective provision for impairment of \$25.474 million (2023: \$24.616 million) and the increase in provision for impairment of \$1.351 million (2023: decrease of \$5.195 million) have been calculated based on expected credit losses. MBIE does not hold the collateral for debts greater than 90 days.

Movements in the provision for impairment of receivables are as follows:

Actual 2023 \$000		Actual 2024 \$000
34,003	Balance at 1 July	24,616
(5,195)	Increase/(decrease) in the provision during the year	1,351
(4,192)	Provision reversed during the year	(493)
24,616	Balance at 30 June	25,474

Note 4: Debtors and Other Receivables (continued)

The allowance for credit losses is determined as follows:

30 June 2024	Receivables days past due				Total
	Not due	More than 30 days	More than 60 days	More than 90 days	
Gross carrying amount of other receivables (\$000)	389,214	433	35	3,767	393,449
Lifetime expected credit loss (\$000)	(2,114)	(14)	(15)	(3,689)	(5,832)
Net carrying amount of other receivables (\$000)	387,100	419	20	78	387,617
Expected credit loss rate	0.54%	3%	43%	98%	
Gross carrying amount of overclaimed income-related rent subsidy (\$000)	–	–	–	20,239	20,239
Lifetime expected credit loss (\$000)	–	–	–	(19,642)	(19,642)
Net carrying amount of overclaimed income-related rent subsidy (\$000)	–	–	–	597	597
Expected credit loss rate	0%	0%	0%	97%	

30 June 2023	Receivables days past due				Total
	Not due	More than 30 days	More than 60 days	More than 90 days	
Gross carrying amount of other receivables (\$000)	377,385	59	128	6,475	384,047
Lifetime expected credit loss (\$000)	(98)	(18)	(38)	(4,327)	(4,481)
Net carrying amount of other receivables (\$000)	377,287	41	90	2,147	379,566
Expected credit loss rate	0.03%	31%	30%	67%	
Gross carrying amount of overclaimed income-related rent subsidy (\$000)	–	–	–	20,825	20,825
Lifetime expected credit loss (\$000)	–	–	–	(20,135)	(20,135)
Net carrying amount of overclaimed income-related rent subsidy (\$000)	–	–	–	690	690
Expected credit loss rate	0%	0%	0%	97%	

Note 5: Property and Equipment

P Property and equipment consist of buildings, temporary accommodation, textphone equipment and infrastructure assets.

Measurement

Buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Additions

Items of property and equipment are recognised at cost if it is probable that future economic benefits or service potential will flow to MBIE, and the cost of the item can be measured reliably. Where an item of property and equipment is acquired at no cost (or for a nominal amount), it is recognised at its fair value on the date of acquisition.

Costs incurred subsequent to the initial recognition of an item of property and equipment are only recognised where it can be demonstrated that there has been an increase in the inflow of future economic benefits or service potential. Costs relating to the servicing or maintenance of items of property and equipment are recognised in the Schedule of Non-Departmental Expenditure when incurred. Work in progress is recognised at cost less impairment losses and is not depreciated.

Depreciation

Depreciation is charged on a straight-line basis, at rates that will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives. The useful lives of major categories of property and equipment have been estimated as follows.

Asset class	Useful life
Buildings	4-10 years
Temporary accommodation	2-4 years
Auckland Queen's Wharf	4-10 years
Textphone equipment	4 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Revaluation

Buildings are revalued by an independent registered valuer at least once every three years to ensure that their carrying amount does not differ materially from their fair value. A revaluation change is recognised against the revaluation reserve. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

Impairment

Property and equipment are reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. An impairment loss is recognised immediately in the Schedule of Non-Departmental Expenditure.

Disposals

Gains and losses on disposal of an item of property and equipment represent the difference between disposal proceeds, if any, and the carrying value of the asset at the time of disposal and are recognised in the Schedule of Non-Departmental Revenue or the Schedule of Non-Departmental Expenditure.

If a previously revalued asset is disposed of, the relevant amount held in the asset revaluation reserve is transferred to taxpayers' funds.

Note 5: Property and Equipment (continued)

	Temporary accommodation \$000	Auckland Queen's Wharf \$000	Textphone equipment \$000	Buildings \$000	WIP \$000	Total \$000
Year ended 30 June 2023						
Cost	1,510	20,000	114	4,687	4,182	30,493
Accumulated depreciation	(1,089)	(20,000)	(114)	–	–	(21,203)
Opening net book value	421	–	–	4,687	4,182	9,290
Additions	9,436	–	–	–	14,611	24,047
Transfers from WIP	–	–	–	–	(9,435)	(9,435)
Revaluation	–	–	–	(123)	–	(123)
Disposals	–	–	–	–	–	–
Other transfers	–	–	–	–	–	–
Depreciation	(1,109)	–	–	(916)	–	(2,025)
Depreciation released on disposals	–	–	–	–	–	–
Accumulated depreciation reversed on revaluation	–	–	–	916	–	916
Closing net book value	8,748	–	–	4,564	9,358	22,670
Year ended 30 June 2024						
Cost	10,946	20,000	114	4,564	9,358	44,982
Accumulated depreciation	(2,198)	(20,000)	(114)	–	–	(22,312)
Opening net book value	8,748	–	–	4,564	9,358	22,670
Additions	–	–	–	–	289	289
Transfers from WIP	–	–	–	–	–	–
Revaluation	–	–	–	(444)	–	(444)
Disposals	–	–	–	–	–	–
Other transfers	–	–	–	–	(6,916)	(6,916)
Depreciation	(2,544)	–	–	(1,796)	–	(4,340)
Depreciation released on disposals	–	–	–	–	–	–
Accumulated depreciation reversed on revaluation	–	–	–	1,796	–	1,796
Closing net book value	6,204	–	–	4,120	2,731	13,055
Cost	10,946	20,000	114	4,120	2,731	37,911
Accumulated depreciation	(4,742)	(20,000)	(114)	–	–	(24,856)
Closing net book value	6,204	–	–	4,120	2,731	13,055

The most recent valuation of the non-residential building was performed by an independent registered valuer, Tom Gill of Beca Projects NZ Limited, with an effective date of 30 June 2024.

The valuation was completed in accordance with *PBE IPSAS 17 Property, Plant and Equipment*. The depreciated replacement cost approach was used because it is deemed to be appropriate for specialised assets seldom traded on an open market.

Note 6: Creditors and Other Payables

P Short-term creditors and other payables are recorded at face value.

Actual 2023 \$000	Actual 2024 \$000
126,966 Accrued expenses	89,369
29,151 Grant payable	25,341
2,233 Trade creditors	15,943
7,406 GST payable	4,283
165,756 Total creditors and other payables	134,936

Creditors and other payables are non-interest bearing.

i Explanation of Major Variances Against Budget

Creditors and other payables are \$63.445 million lower than the Budget (Budget: \$192.467 million) mainly due to lower than forecasted payables

accrued relating to the Science, Innovation and Technology sector, and Tourism and Resources sector.

Note 7: Unearned Income

P Unearned income relates to cash received in advance of the period in which it will be recognised as revenue.

Actual 2023 \$000	Actual 2024 \$000
42,874 Radio spectrum sales – current	39,047
375,483 Radio spectrum sales – non-current	365,592
418,357 Total unearned income	404,639

Under the *Radiocommunications Act 1989*, sales of management rights over portions of the radio spectrum occur from time to time. The rights extend for varying periods and are paid for upfront and carry implementation requirements.

Once these requirements have been fulfilled, the holder retains the rights through to the end of the specific term, after which they revert to the Crown and may be re-offered for sale.

Note 8: Provisions

P MBIE recognises a provision when there is a present obligation, either legal or constructive, as the result of a past event and it is probable that an outflow of resources will be required to settle the obligation but the timing or the amount of obligation is uncertain.

Where the effect of the time value of money is material, provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

Note 8: Provisions (continued)

Critical Accounting Estimates, Assumptions and Judgements

The estimates, assumptions and judgements that may have a significant risk of causing a material adjustment to the carrying amounts of provisions within the next financial year are disclosed below.

Provision for Weathertight Services Financial Assistance Package (FAP)

The provision relating to Weathertight Services is calculated based on three critical assumptions:

- › an estimate of the remaining cost to remediate leaky homes for claims repaired through the FAP scheme
- › the present value of future cash flows that is estimated using a discount rate
- › the discontinuance transition rate of applicants who cease progressing their claim.

New Zealand Screen Production Grant provision

Actual expenditure is sensitive both to the number and size of qualifying productions. The approximate amount of the grants and timing of payments are estimated in advance.

Oil field decommissioning

The Tui oil field decommissioning provision has been based on contracted prices and an assessment of the oil field's technical status and adjusted by personnel in the decommissioning team with experience in the oil and gas industry. The model used to estimate cost uses the best estimates, exchange rates at 30 June 2024, and applies a risk margin for individual items based on previous experience and the team's knowledge of the oil and gas industry. There are multiple uncertainties and sensitivities that will affect the actual cost of decommissioning.

These uncertainties include:

- › fluctuations in the cost of key elements of the decommissioning
- › market factors, including global availability of providers
- › weather delays
- › unforeseen technical complexities leading to increased cost and delay
- › inflation and foreign exchange movements
- › external factors such as COVID-19.

Key assumptions

- › Assumptions regarding the type of equipment used have been made for costing. The actual type of equipment used will be dictated by market availability and will influence costs.
- › A risk margin has been applied to line items individually, based on the level of uncertainty expected.

Timing of expenditure

The majority of remaining costs to be incurred are expected to occur in the 2024/25 financial year. Any costs after the 2024/25 financial year are related to ongoing regulatory obligations, such as environmental monitoring.

The timing of expenditure is dependent on multiple uncertainties, including supplier availability as the offshore vessels and equipment required for the work are currently outside New Zealand.

Fair value write-down on concessionary loans

The most critical assumption for determining the fair value is the default rate of the loans.

Note 8: Provisions (continued)

Actual 2023 \$000		Actual 2024 \$000
Current		
335,380	New Zealand Screen Production Grant	280,445
175,317	Oil field decommissioning	49,271
24,983	Weathertight Services FAP	26,015
535,680	Total current provisions	355,731
Non-current		
30,895	Weathertight Services FAP	15,574
8,645	Fair value write-down on concessionary loans	2,091
2,657	Oil field decommissioning	907
42,197	Total non-current provisions	18,572
577,877	Total provisions	374,303

Weathertight Services FAP Provision

The Weathertight Services FAP provision represents the Government's obligation to contribute 25 per cent of agreed repair costs to eligible owners of leaky homes under the Weathertight Services FAP. As at 30 June 2024, this is valued at \$42 million discounted (\$44 million undiscounted).

Description of Weathertight Services FAP

The package offers qualifying homeowners a share of the agreed actual repair cost of repairing leaky homes. The Government and the territorial authority (if the territorial authority is participating in the FAP) each pay 25 per cent of the agreed repair cost and the homeowner pays the remaining 50 (or 75) per cent.

Under the FAP, the homeowner agrees not to sue contributing territorial authorities and the Government, although homeowners can still pursue other liable parties such as builders, developers or manufacturers of defective products. The scheme became available to homeowners on 23 July 2011, and closed to new applications on 25 July 2016. Homeowners who were already working towards repairing through the FAP at this date can continue to do so.

The last date for homeowners to apply to bring a claim under the *Weathertight Homes Resolution Services Act 2006* was 31 December 2021. Since that time, Weathertight Services has been focused on assisting remaining open claims towards closure and/or resolution, and as at 30 June 2024, has 56 open claims (from an overall total of 7,385 over the life of the Service). These claims cover 555 dwellings.

Key assumptions

There is still considerable uncertainty surrounding the estimate of the Government's likely remaining contribution. There are three critical assumptions: the remediation cost estimate, the discount rate, and the discontinuance transition rate (the rate at which applicants cease to progress their application).

Uncertainties

There are several reasons why the estimates are subject to a high level of uncertainty.

- › The ultimate costs of leaky buildings repairs are inherently uncertain.
- › The financial projection model is a simplification of the complex reality of the actual claims processes, and to the extent that hidden or un-modelled relationships are present, the model will be unreliable.
- › Past experience may not be a good guide as to what will happen in the future.

Note 8: Provisions (continued)

- › The data on which the analysis is based, and from which the assumptions are derived, is limited.
- › As the number of open claims continues to drop, the impact of an increase or decrease to costs for any one multi-unit claim will have a proportionally greater effect on the overall value of the provision.

Sensitivity Analysis

If the remediation cost estimate were to increase/decrease by 10 per cent compared to MBIE's estimates, with all other factors held constant, the estimate is unlikely to change. This is because an assumed increase or decrease is only applied where no remediation cost estimate exists, and at this stage of the Financial Assistance Package, most claims already have a remediation cost estimate.

If the discount rate were to increase/decrease by 2 per cent compared to MBIE's estimates, with all other factors held constant, the resulting estimates would be \$40.700 million higher and \$42.500 million lower respectively.

If the discontinuance transition rate were to double/halve compared to MBIE's estimates, with all other factors held constant, the resulting estimates would be \$41.500 million higher and \$41.600 million lower respectively.

New Zealand Screen Production Grant

The New Zealand Screen Production Grant is a scheme that incentivises the attraction of screen productions to New Zealand. Examples of productions receiving payment include the Avatar sequels, Sweet Tooth television series and the Avengers series.

Under the scheme, productions may receive a payment of up to 20 per cent (with an additional 5 per cent provided in certain circumstances) on their New Zealand-based expenditure for international production depending on the types of activity they undertake. The rebates are non-discretionary, applicants cannot be refused if they meet the criteria, and the scheme is uncapped.

The productions that make claims under the scheme are required to register with the New Zealand Film Commission, as administrator of the scheme, in advance of starting production activity in New Zealand. The approximate amount and timing of payments are estimated in advance.

Actual expenditure is sensitive both to the number and size of qualifying productions. The provision is MBIE's best assessment of projects that will qualify for a payment based on information provided by registering productions. It is only once applications have been received and production expenditure verified that the exact expenditure can be confirmed.

Oil Field Decommissioning

The Tui oil field decommissioning provision was created to cover the estimated costs of decommissioning the Tui oil field by the Crown following the liquidation of its operator. The operator had insufficient assets to cover the decommissioning costs associated with its responsibilities as the oil field permit holder.

The Crown has an obligation to appropriately decommission the oil field to avoid harm to the marine environment.

The provision has been based on contract pricing and adjusted by technical experts, and represents the best estimate of the decommissioning cost. The model used to estimate cost uses a risk margin to reflect uncertainties, risks and sensitivities of the decommissioning. The following uncertainties were considered.

- › Fluctuations in the cost of key elements of the decommissioning, especially the cost of offshore oil rig and vessel hire. Rates fluctuate with industry demand.
- › Market factors, including global availability of providers, which could impact availability and timing of completion.

Note 8: Provisions (continued)

- › Weather delays – bad weather delays are days where weather conditions prevent offshore work from continuing. Costs relating to retaining crew and vessels are still incurred during bad weather delays. Historic forecasts are available but the actual conditions will only be known at the time of offshore execution.
- › Technical issues such as unforeseen problems in the wells and breakdown of equipment.
- › Inflation and foreign exchange movements, as the contracts are largely in US dollars.
- › COVID-19 delays such as lockdowns, outbreaks and the ability for vessels and crews to enter New Zealand.

Fair Value Write-Down on Concessionary Loans

Concessionary loans are designated at fair value through surplus or deficit under *PBE IPSAS 41 Financial Instruments*. The difference between the amount of the concessionary loan and the fair value on initial recognition is recognised as an expense. The fair value write-down is recognised on the date the loan commitment is irrevocable. The provision at 30 June 2024 is for fair value write-down of the Crown Energy Efficiency, Inbound Tourist Operator, WorkSafe New Zealand and Hiringa Refuelling New Zealand Limited concessionary loan commitments that are undrawn (refer to Note 9).

	Weathertight Services FAP \$000	New Zealand Screen Production Grant \$000	Oil field decommissioning \$000	Fair value write-down on concessionary loans \$000	Make-good provision \$000	Total \$000
Balance at 1 July 2022	74,354	298,806	234,581	18,015	1,851	627,607
Additional provisions made	9,789	184,345	–	–	–	194,134
Provision utilised during the year	(28,265)	(141,376)	(57,940)	(4,317)	–	(231,898)
Reversal of provision	–	(6,394)	–	(5,054)	(1,851)	(13,299)
Effect of foreign exchange rate fluctuation	–	–	1,333	–	–	1,333
Balance at 30 June 2023	55,878	335,381	177,974	8,644	–	577,877
Additional provisions made	2,892	225,116	321	–	–	228,329
Provision utilised during the year	(17,181)	(267,606)	(129,056)	(6,553)	–	(420,396)
Reversal of provision	–	(12,446)	–	–	–	(12,446)
Effect of foreign exchange rate fluctuation	–	–	939	–	–	939
Balance at 30 June 2024	41,589	280,445	50,178	2,091	–	374,303



Explanation of Major Variances Against Budget

Provisions are \$69.331 million below the Budget (Budget: \$443.634 million). The biggest contributor to this variance is the Weathertight Services FAP Provision, which is independently valued at balance date each year and subsequently not possible to accurately forecast at the time

the Budget was prepared due to the time lag. Additionally, the Budget had a higher forecast for the New Zealand Screen Production Grant provision, due to the demand-driven nature of grants and the information available at the time of Budget preparation.

Note 9: Financial Instruments

P Classification of Financial Instruments

Financial instruments are initially recognised at fair value and subsequently measured at amortised cost or at fair value either through surplus or deficit, or through comprehensive revenue and expense. This classification is made by reference to the purpose and nature of the financial instrument or group of financial instruments.

Non-Derivative Financial Assets and Liabilities

Non-derivative financial assets are subsequently measured at amortised cost if they are held for the purpose of collecting contractual cash flows and those cash flows are solely related to payments of principal and interest. Interest, impairment losses and foreign exchange gains and losses are recognised in the Schedule of Non-Departmental Revenue or Schedule of Non-Departmental Expenditure.

Non-derivative financial liabilities are subsequently measured at amortised cost.

Cash and Cash Equivalents

Cash and cash equivalents are measured at amortised cost and include cash on hand, deposits held on call with banks, and other short-term, highly liquid investments with original maturities of three months or less. Balances denominated in foreign currencies are translated to New Zealand dollars at the foreign exchange rate at balance date. MBIE is only permitted to spend its cash and cash equivalents within the scope and limits of its appropriations.

Allowances for Expected Losses

An expected credit loss model is used to recognise and calculate impairment losses for financial assets subsequently measured at amortised cost with the simplified approach to providing credit losses being applied to trade and other receivables.

MBIE has adopted the simplified approach to impairment provision for trade and other receivables. The provision is recognised at an

amount equal to lifetime expected credit losses. The allowance for doubtful debts on individually significant trade and other receivables is determined on an individual basis, and those deemed to be not individually significant are assessed on a portfolio basis.

Concessionary Loans

Concessionary loans are loans granted at below market terms. MBIE firstly assesses whether the substance of the transaction is a loan, a grant, an equity contribution, or a combination thereof. If MBIE has determined that the transaction is a loan, it assesses whether the transaction price represents the fair value of the loan on initial recognition. Fair value is determined by discounting all future cash receipts using a market-related rate of interest for a similar loan and concession write-down on initial recognition is recognised in the Schedule of Non-Departmental Expenditure.

Concessionary loans are designated at fair value through surplus or deficit under *PBE IPSAS 41 Financial Instruments*. The difference between the amount of the loan and the fair value on initial recognition is recognised as an expense. The initial fair value is lower than the amount of the initial loan for a number of reasons including that:

- › repayments may not be required for a number of years
- › the time value of money will erode the value of future payments because there is no interest charged in the first year
- › the interest rate charged is lower than the market interest rates for loans to small-to-medium businesses
- › borrowers may default on their obligations.

At the end of the year, predictive models are used to compare the carrying value to the fair value of the loan portfolio and the difference will be recognised in the Schedule of Non-Departmental Revenue or Schedule of Non-Departmental Expenditure.

Note 9: Financial Instruments (continued)

The value of financial assets and financial liabilities in each of the financial instrument categories are as follows:

Actual 2023 \$000		Actual 2024 \$000
Financial assets measured at amortised cost		
770,715	Cash and cash equivalents	457,347
380,256	Debtors and other receivables	388,214
Financial assets measured at fair value through surplus or deficit		
75,806	Concessionary loans (refer to the following table)	102,450
144	Foreign exchange contracts	–
1,226,921	Total financial assets	948,011
Financial liabilities measured at amortised cost		
165,756	Creditors and other payables	134,936
Financial liabilities measured at fair value through surplus or deficit		
54	Foreign exchange contracts	575
165,810	Total financial liabilities	135,511

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in non-departmental schedules.

Actual 2023 \$000		Actual 2024 \$000
Valuation technique: Level 2 – observable inputs		
Financial assets/ (liabilities)		
90	Forward foreign exchange contracts (net)	(575)

The following table analyses MBIE's financial liabilities, excluding derivatives, that will be settled, based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

2024	Carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Creditors and other payables	134,936	134,936	134,936	–	–
Total	134,936	134,936	134,936	–	–
2023	Carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Creditors and other payables	165,756	165,756	165,756	–	–
Total	165,756	165,756	165,756	–	–

Note 9: Financial Instruments (continued)

The following table analyses MBIE's forward foreign exchange contract derivatives into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

2024	Derivative financial instruments net carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Gross settled forward foreign exchange contracts (net liability)	575	575	575	–	–
Total	575	575	575	–	–

2023	Derivative financial instruments net carrying amount (\$000)	Total contractual cash flows (\$000)	Up to 1 year	1 to 5 years	Over 5 years
Gross settled forward foreign exchange contracts (net liability)	54	54	54	–	–
Total	54	54	54	–	–

Concessionary Loans

Crown Energy Efficiency loans

The Crown Energy Efficiency loan scheme began in 1989 to provide interest-free loans to public sector organisations for energy efficiency and renewable energy projects.

The loan must be repaid in five years or less.

Loans are interest free for a maximum term of five years. Repayments are not required before five years, but the loan can be voluntarily repaid before then.

Inbound Tourist Operator (ITO) loans

In response to the impact of the COVID-19 pandemic, the Government agreed to provide loans to inbound tourist operators (ITOs), so that they were prepared to help rebuild visitation when international travel resumed. The availability for requesting ITO loan drawdowns ended on 30 June 2022 and the final loan drawdown balance was \$5.750 million. These loans will be closely monitored by Kānoa for the commercial viability and debt serviceability of ITOs.

Loans are subordinated (if applicable) and unsecured.

Loans are interest free for the first two years and then the interest rate is 3 per cent per annum for a maximum term of five years. The initial concession recognised on these loans was up to 93.6 per cent on the nominal value of the loans, which is now revised to 50 per cent. The unwinding of the concession recognised upfront has been processed in the 2022/23 year.

Research and development loan scheme

The research and development (R&D) loan scheme was set up to assist businesses performing R&D that were impacted by COVID-19. Loans of up to \$400,000 would be given to maintain R&D programmes and secure the highly skilled jobs associated with these programmes. The scheme was announced in May 2020, with the first loans issued in September 2020, and subsequently closed to applications on 31 March 2021 after the funds available had been fully allocated.

Loans were interest free if they are paid back within a year. Otherwise, the interest rate will be 3 per cent per annum for a maximum term of 10 years. Repayments are not required for the first three years. Monthly repayment instalments of principal and interest will be calculated to spread the amount of required repayments over the repayment period.

Note 9: Financial Instruments (continued)

Research and Development Tax Incentive (RDTI) in-year payments scheme

The temporary Research and Development Tax Incentive (RDTI) in-year payments scheme was launched in March 2023 to provide timely financial support to R&D-performing businesses, particularly those for whom cashflow is critical. The Minister of Science, Innovation and Technology decided to end the loan scheme in January 2024, and the scheme was fully closed in May 2024. It was ended earlier than anticipated as it was not delivering value for money and would have required further investment to maintain operations. In total, 203 loans (total of \$42.600 million) were issued to 127 unique businesses.

The scheme was open to all RDTI customers. In-year payment loans are interest free and repayable once a customer's RDTI supplementary return filing is completed with Inland Revenue. Depending on filing dates, this ranges between a few months and two years after the loan is paid out. If the loan is not repaid within one month of the due date, interest will be charged at Inland Revenue's "Use of Money" rate. MBIE is responsible for management of the issued loans.

WorkSafe New Zealand loans

An interest-free loan was approved as part of Budget 2019 to allow WorkSafe New Zealand to increase its capacity to improve the health and safety outcomes of workers in New Zealand. The loan agreement was finalised in May 2021, with drawdown from the loan facility to be made from 2021 to the 2025 financial year.

The loan is interest free to the value of \$31.570 million, with the first annual repayment due on 30 June 2024, and the final repayment due on 30 June 2029.

An undrawn loan commitment of \$3 million is recognised in the Statement of Non-Departmental Commitments.

Hiringa Refuelling New Zealand Limited loan

Hiringa Refuelling New Zealand Limited was provided a loan up to a maximum of 15 years via the Covid Recovery Respond Fund to build green hydrogen production and refuelling network across New Zealand focused on the heavy transport sector. The first four stations will provide coverage for the key heavy freight routes in the North Island. Interest rates are lower than the market rate, and no repayments are required before 15 years, but the loan can be voluntarily repaid before then.

The table below shows the fair value movement during the year, by loan type.

	Crown Energy Efficiency \$000	ITO \$000	R&D \$000	WorkSafe \$000	Hiringa Refuelling \$000	RDTI in-year payments \$000	Total \$000
Year ended 30 June 2024							
Opening fair value	5,427	2,325	46,717	19,028	–	2,309	75,806
New lending	2,000	–	–	4,650	5,602	40,327	52,579
Fair value write-down	(445)	–	–	(951)	(5,602)	(6,349)	(13,347)
Repayments	(2,274)	(2,805)	(9,004)	(5,000)	–	(9,136)	(28,219)
Interest unwind	280	–	1,338	–	–	72	1,690
Fair value adjustment	–	1,403	12,538	–	–	–	13,941
Closing fair value	4,988	923	51,589	17,727	–	27,223	102,450
<i>Consists of:</i>							
Current	1,823	–	4,200	5,000	–	19,107	30,130
Non-current	3,165	923	47,389	12,727	–	8,116	72,320
Fair value loans at 30 June 2024	4,988	923	51,589	17,727	–	27,223	102,450

Note 9: Financial Instruments (continued)

i Explanation of Major Variances Against Budget

Loans are \$98.672 million lower than the Budget (Budget: \$201.122 million) mainly due to the Government's decision to close the in-year payment temporary loan scheme under the Research and

Development Tax Incentive resulting in lower than initially forecast loans issued during the financial year.

MBIE's activities expose it to a variety of financial instrument risks, including market risk, currency risk, credit risk and liquidity risk. MBIE has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from contracts for the supply of future goods and services that are denominated in a foreign currency. MBIE, on behalf of the Crown, purchases capital expenditure and goods and services internationally and is exposed to currency risk arising from various currency exposures, primarily with respect to the US dollar, the Australian dollar and the euro.

Sensitivity Analysis

The impact of a 5 per cent movement, both up and down, in the New Zealand dollar against various other currencies held by MBIE in its foreign currency account with all other variables held constant at 30 June 2024 is not material.

Contractual Maturity Analysis of Financial Liabilities

Non-departmental financial liabilities consist solely of creditors and other payables. At balance date, the remaining periods to the contractual maturity dates were less than three months for all creditors and other payables. The amounts, disclosed above, are the contractual undiscounted cash flows.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to MBIE, causing MBIE to incur a loss.

In the normal course of its business, credit risk arises from debtors and other receivables, deposits with banks, and foreign exchange contracts.

MBIE generally deposits funds with Westpac (Standard & Poor's credit rating of AA-), a registered bank, and enters into foreign exchange forward contracts with the Treasury (Standard & Poor's credit rating of AA+). These entities have high credit ratings. For its other financial instruments, MBIE does not have significant concentrations of credit risk.

MBIE's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, debtors and other receivables, and foreign exchange contracts.

Although cash and cash equivalents as at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Note 9: Financial Instruments (continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value of, or cash flows from, a financial instrument will fluctuate due to changes in market interest rates. MBIE, on behalf of the Crown, has no significant exposure to interest-bearing financial instruments and therefore does not experience interest rate risk.

Liquidity Risk

Liquidity risk is the risk that MBIE, on behalf of the Crown, will encounter difficulty raising liquid funds to meet its commitments as they fall due. In meeting its liquidity requirements, MBIE, on behalf of the Crown, closely monitors its forecast cash requirements and maintains a target level of available cash to meet liquidity requirements.

MBIE, on behalf of the Crown, expects to settle all of its financial liabilities in a timely manner.

Notional principal amount of outstanding foreign exchange contracts are as follows:

	Actual 2024 \$000		Actual 2023 \$000	
	Foreign Currency	NZD	Foreign Currency	NZD
US dollar	10,655	17,307	8,625	14,081

Note 10: Investment in Joint Venture

Kaitorete Limited (Te Taumutu Rūnanga and Wairewa Rūnanga) and the Crown entered into a joint venture to create Tāwhaki. The Tāwhaki Joint Venture has two goals: rejuvenate the unique environment and to advance Aotearoa's aerospace industry.

The purchase of a 1,000 ha property on the Kaitorete Spit was intended to facilitate the joint venture to:

- › protect and rejuvenate the Kaitorete environment, an area of significant cultural importance to mana whenua of Kaitorete and home to numerous threatened and locally endemic plant, invertebrate, bird, and reptile species with internationally recognised ecological value
- › develop aerospace activities and R&D facilities that have the potential to generate significant and sustainable economic opportunities through job creation, capital investment and adjacent sectors serving the aerospace economy.

By the end of 2024, the Tāwhaki Joint Venture will present a business case to both shareholders, including the Crown, with options on future investment and ownership structures.

Note 11: Events After the Balance Date

There have been no material events subsequent to balance date.

Statement of Expenses and Capital Expenditure Incurred Without, or In Excess of, Appropriation or Other Authority

The table below contains expenses incurred without, or in excess of, appropriation or other authority.

	Actual \$000	Appropriation or other authority at the time of breach \$000	Amount without appropriation or other authority \$000
VOTE BUSINESS, SCIENCE AND INNOVATION			
Non-departmental other expenses			
Research, Science and Innovation: Innovative Partnerships Strategic Facilitation Fund			
2023/24	6,343	5,953	390
Economic Development: Depreciation on Auckland's Queens Wharf			
2023/24	1,796	985	811
2022/23	1,388	985	403
2021/22	1,243	985	258
Capital Injections			
Ministry of Business, Innovation and Employment – Capital Injection			
2023/24	95,943	82,818	13,125

Research, Science and Innovation: Innovative Partnerships Strategic Facilitation Fund

This expenditure relates to grants that support the operation of the Innovative Partnerships Programme.

As a result of administrative errors at the Ministry, two contracts relevant to this programme were tracked as departmental spending and therefore not managed against this appropriation.

The amount of funding expense incurred in excess of the appropriation is unappropriated expenditure.

Economic Development: Depreciation on Auckland's Queens Wharf

This expenditure relates to depreciation expenses associated with the Cloud Structure asset on Auckland's Queens Wharf.

The expected useful life for this asset was revised downward, which resulted in an increase to future annual depreciation expenses. The reduction to the useful life

was not updated into the depreciation calculation for each of the financial years above, and as a result the authority for the depreciation expense was too low.

The amount of depreciation expense incurred in excess of the appropriation is unappropriated expenditure.

Ministry of Business, Innovation and Employment – Capital Injection

As part of the Bowen House fit out project, \$13.125 million worth of assets was transferred from Parliamentary Services to the Ministry. Vote Business, Science and Innovation had an appropriate authority in place for a capital injection from the Crown for this transfer.

However, in addition to the assets received, the Ministry requested and received cash from the Crown equal to the same amount of the assets transferred from Parliamentary Services. This meant that the Ministry recorded the capital injection twice.

The amount of cash received in excess of the authority is unauthorised capital injection.

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Appendix 1: Residential Tenancies Trust Account

Independent Auditor's Report

To the readers of the Residential Tenancies Trust Account's financial statements for the year ended 30 June 2024

The Auditor General is the auditor of the Residential Tenancies Trust Account (the Trust Account). The Auditor General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust Account on his behalf.

Opinion

We have audited the financial statements of the Trust Account on pages 211 to 215 that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive revenue and expense, statement of movements in bondholders fund and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Trust Account on pages 211 to 215:

- › present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
- › comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards with disclosure concessions.

Our audit was completed on 30 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive of the Ministry of Business, Innovation and Employment, and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Chief Executive of the Ministry of Business, Innovation and Employment for the financial statements

The Chief Executive of the Ministry of Business, Innovation and Employment is responsible on behalf of the Trust Account for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Chief Executive of the Ministry of Business,

Innovation and Employment is responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive of the Ministry of Business, Innovation and Employment is responsible on behalf of the Trust Account for assessing the Trust Account's ability to continue as a going concern. The Chief Executive of the Ministry of Business, Innovation and Employment is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Chief Executive of the Ministry of Business, Innovation and Employment intend to wind up the Trust Account or to cease operations, or have no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- › We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- › We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Account's internal control.
- › We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive of the Ministry of Business, Innovation and Employment.
- › We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive of the Ministry of Business, Innovation and Employment and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Account's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Account to cease to continue as a going concern.
- › We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive of the Ministry of Business, Innovation and Employment regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive of the Ministry of Business, Innovation and Employment is responsible for the other information. The other information comprises the information included on pages 2 to 210 and 216 to 236 but does not include the financial statements, and our auditor's report thereon.

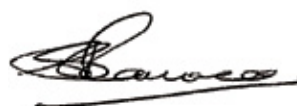
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust Account in accordance with the independence requirements of the Auditor General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust Account.



Clint Ramoo

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Revenue	
23,030	Interest earned from bank deposits	33,274
	Expenditure	
23,030	Interest to MBIE	33,274
	– Net surplus	–
	– Other comprehensive revenue and expenses	–
	– Total comprehensive revenue and expenses	–

Statement of Financial Position

As at 30 June 2024

Actual 2023 \$000		Notes	Actual 2024 \$000
	Current assets		
9,029	Cash and cash equivalents		8,207
137,500	Investments	4	205,000
32,170	Interest receivable		56,968
189	Other current assets		130
178,888	Total current assets		270,305
	Non-current assets		
668,000	Investments	4	670,500
668,000	Total non-current assets		670,500
846,888	Total assets		940,805
	Current liabilities		
33,112	Interest payable to MBIE		57,504
111	Other current liabilities		91
33,223	Total current liabilities		57,595
33,223	Total liabilities		57,595
813,665	Net assets		883,210
	Bondholders' funds		
731,606	Opening balance		813,665
82,059	Net increase		69,545
813,665	Total bondholders' funds		883,210

The accompanying notes form part of these financial statements.

Reconciliation of Movements in Bondholders' Funds

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
731,606	Bondholders' funds at 1 July	813,665
333,535	Bonds lodged	343,131
(249,693)	Bonds refunded	(271,996)
(1,783)	Unclaimed bonds paid to the Treasury	(1,590)
813,665	Bondholders' funds at 30 June	883,210

Statement of Cash Flows

For the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
	Cash flows from operating activities	
16,547	Interest received	8,476
(16,535)	Interest payments to MBIE	(8,882)
12	Net cash flows from operating activities	(406)
	Cash flows from investing activities	
161,500	Proceeds from maturity of investments	137,500
(245,500)	Purchase of investments	(207,500)
(84,000)	Net cash flows from investing activities	(70,000)
	Cash flows from financing activities	
333,535	Lodgement bonds	343,131
(251,476)	Refund of bonds	(273,586)
(83)	Provision for incorrect forfeiture	39
81,976	Net cash flows from financing activities	69,584
(2,012)	Net (decrease)/increase in cash held	(822)
11,041	Cash at the beginning of the year	9,029
9,029	Cash at the end of the year	8,207

Reconciliation of Operating Surplus to Net Cash Flows from Operating Activities

Actual 2023 \$000		Actual 2024 \$000
-	Net surplus	-
	Add/(less) movements in working capital	
(6,483)	Decrease/(increase) in interest receivable	(24,798)
6,495	Increase/(decrease) in interest payable	24,392
12	Net cash flows from operating activities	(406)

The accompanying notes form part of these financial statements.

Note 1: Reporting Entity

The Ministry of Business, Innovation and Employment (MBIE) was established and commenced operations on 1 July 2012, and manages the Residential Tenancies Trust Account (RTTA) pursuant to the *Public Finance Act 1989* and the *Residential Tenancies Act 1986*.

The financial statements of the RTTA are for the year ended 30 June 2024 and were authorised for issue by the Chief Executive of MBIE on 30 September 2024.

Note 2: Basis of Preparation and Statement of Significant Accounting Policies

Basis of Preparation

Statement of compliance

The financial statements of the RTTA have been prepared in accordance with the requirements of the *Residential Tenancies Act 1986* and the *Public Finance Act 1989*, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with, and comply with, Tier 2 PBE accounting standards on the basis that expenditure exceeds \$5 million, but is less than \$33 million with Reduced Disclosure Regime concessions applied.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Measurement base

The financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the RTTA is New Zealand dollars.

Comparative amounts

Certain amounts in the comparative information have been reclassified to ensure consistency with the current year's presentation.

Changes in accounting policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with the previous year.

Significant Accounting Policies

The following significant accounting policies have been applied consistently to all periods presented in these financial statements. Where an accounting policy is specific to a note, the policy is described in the note to which it relates.

Revenue from exchange transactions

The RTTA derives revenue from interest on investments. Interest on investments is accrued on a monthly basis.

Taxation

The RTTA is exempt from income tax in terms of the *Income Tax Act 2007*.

Note 3: Financial Instruments

P Financial Instruments

The RTTA is party to financial instruments as part of its normal operations. These financial instruments include accounts payable and receivable, cash and cash equivalents, and investments. Revenue and expenditure in relation to all financial instruments is recognised in the Statement of Comprehensive Revenue and Expense.

All financial instruments are shown at estimated fair value except for those items covered by a separate accounting policy.

Cash

Cash is defined as coins, notes and demand deposits in the RTTA bank accounts and other deposits held on call or with maturities less than three months.

Receivables

Receivables are stated at estimated realisable value.

Credit risk

Financial instruments that are potentially subject to credit risk principally consist of cash and cash equivalents, accounts receivable, and investments. There are no major concentrations of credit risk for accounts receivable.

Credit risk is the risk that a third party will default on its obligations. The RTTA invests the bond fund in line with the requirements of section 68 of the *Public Finance*

The maximum exposures to credit risk at balance date were as follows.

Actual 2023 \$000	Actual 2024 \$000
9,029 Cash held	8,207
32,170 Accounts receivable	56,968
805,500 Investments	875,500
846,699 Total financial assets	940,675

Act 1989 and Parts I and II of the *Trustee Act 1956* by dealing with banks of high credit standing (Standard & Poor's short-term rating of A-1 and long-term rating of A- or A), and only invests with any New Zealand bank or any bank outside New Zealand that has been approved by the Minister for the purpose.

Individual investment counterparties must carry a long-term credit rating and must be within individual issuer limits.

Currency risk

Currency risk is the risk that the value of debtors and creditors due in foreign currency will fluctuate because of changes in foreign exchange rates.

The RTTA has no currency risk, given that any financial instruments it deals with are denominated in New Zealand dollars.

Interest rate risk

Interest rate risk is the risk that the return on the funds invested will fluctuate due to changes in market interest rates. The RTTA's cash management policy accepts some degree of forgoing interest rate optimisation in order to have accessible funds for liquidity.

Fair value

The fair value of all financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Note 4: Investments

P Investments are not generally traded and are held to maturity. Investments in bank deposits are initially measured at fair value plus transaction costs (if any). After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest rate, less any provision for impairment.

Investments are undertaken in line with MBIE’s investment policy. Investments were held with the following counterparties as at 30 June 2024.

Actual 2023 \$000		Actual 2024 \$000
805,500	Bank deposit	875,500
805,500	Total book value of investments	875,500

Actual 2023 \$000		Actual 2024 \$000
Current		
16,000	ANZ	83,500
20,000	ASB	14,000
77,500	BNZ	43,000
15,000	Kiwibank	10,000
9,000	Westpac	54,500
137,500	Total current	205,000
Non-current		
247,000	ANZ	163,500
14,000	ASB	–
113,000	BNZ	232,000
155,000	Kiwibank	190,500
139,000	Westpac	84,500
668,000	Total non-current	670,500
805,500	Total investments by counterparty	875,500

Note 5: Capital Management

The RTTA’s capital is its bondholders’ funds.

Note 6: Audit Fees

Audit fees are paid by MBIE (refer to Note 5 in MBIE’s departmental financial statements).

Note 7: Commitments and Contingent Liabilities

There were no commitments or contingent liabilities as at 30 June 2024 (2023: nil).

Note 8: Events After the Balance Date

No events have occurred between the balance date and date of signing these financial statements that materially affect the financial statements.

Appendix 2: Statement of Trust Monies

MBIE operates trust accounts as an agent under section 66 of the *Public Finance Act 1989*. They are not consolidated in MBIE's own financial statements. In addition to funds held in trust accounts operated by MBIE, the Official Assignee holds a significant number and value of assets in relation to the administration of bankruptcies, liquidations and assets restrained or forfeited under criminal proceeds legislation.

Movements in these accounts during the year ended 30 June 2024 were as follows.

	Opening Balance 1 July 2023 \$000	Capital Increase \$000	Distributions Made \$000	Receipts \$000	Expenditure \$000	Closing Balance 30 June 2024 \$000
Coal and Minerals Deposits Trust Account	465	20	–	2	–	487
Employment Relations Service Trust Account	914	410	(351)	55	–	1,028
New Zealand Immigration Trust Account	198	–	(56)	9	–	151
Official Assignee's Office Trust Account	17,889	20,132	(6,844)	636	(8,862)	22,951
Patent Cooperation Treaty Fees Trust Account	61	837	(834)	2	–	66
Petroleum Deposits Trust Account	68	3	–	–	–	71
Criminal Proceeds (Recovery) Trust Account	117,755	27,628	(17,745)	4,749	(8,713)	123,674
Residential Tenancies Trust Account	813,664	343,132	(273,585)	33,274	(33,274)	883,211
Residential Tenancies Trust Penalties Account	88	266	(216)	8	–	146
Weathertight Financial Assistance Package Trust Account	–	1,825	(1,825)	–	–	–
East Coast Plugging and Abandonment Trust	984	–	–	23	–	1,007
Construction Contracts Trust Account	–	410	–	–	–	410

Coal and Minerals Deposits Trust Account

This trust account was established in its present form following the introduction of the *Crown Minerals Act 1991*. Pursuant to the *Mining Act 1971*, the *Coal Mines Act 1979* or the *Crown Minerals Act 1991*, all existing mining licences are required to have a bond lodged with MBIE, either as a performance bond or a cash deposit. These bonds are returned with interest (for cash deposits) once the licence has either been surrendered, revoked or reached expiry, provided that all licence conditions have been complied with. Please note: When a licence is transferred a new bond will be put in place by the transferee and the original bond will be returned to the transferor once the transfer has been approved.

Employment Relations Service Trust Account

This trust account was established in September 1988 for monies received by labour inspectors on behalf of workers.

New Zealand Immigration Trust Account

This trust account was established in 1999 for bonds paid by visitors with a higher risk profile.

Official Assignee's Office Trust Account

This trust account was established to hold monies for individuals or companies subject to bankruptcy or liquidation proceedings. All financial matters of declared bankrupts and companies in liquidation are handled by the Official Assignee's Office. All distributions and settlements are processed through this account. This trust combines the No Asset Procedure Account, Summary Instalment Order Account and Official Assignee Account.

Patent Cooperation Treaty Fees Trust Account

This trust account was established in December 1992 to collect and distribute fees under the Patent Cooperation Treaty Rules. The fees are collected from International Patent Authorities and remitted to the World Intellectual Property Organization, which administers the Treaty.

Petroleum Deposits Trust Account

This trust account was established in the 1970s for deposits pursuant to sections 8, 16 and 47(h) of the *Petroleum Act 1937*. All existing mining licences are required to have a bond lodged with MBIE either as a performance bond or a cash deposit. These bonds are returned with interest (for cash deposits) once the licence has either been surrendered, revoked or reached expiry, provided that all licence conditions have been complied with. Please note: When a licence is transferred a new bond will be put in place by the transferee and the original bond will be returned to the transferor once the transfer has been approved.

Criminal Proceeds (Recovery) Trust Account

This trust account has been established to manage the financial arrangements of restraining and forfeiture orders made by the courts under the *Criminal Proceeds (Recovery) Act 2009*. Under the Act, courts have the power to order seizure of assets of individuals and companies that have been derived directly or indirectly from criminal offending, and place the assets into the custody and control of the Official Assignee. These assets can then be ordered to be sold or disposed of by the Official Assignee and the resulting monies transferred to other approved parties and the Crown.

Residential Tenancies Trust Account

This trust account was established to hold bonds lodged under the *Residential Tenancies Act 1986*. A full set of audited financial statements for the RTTA, prepared on an accrual accounting basis in conformity with generally accepted accounting practice, is provided in Appendix 1.

Residential Tenancies Trust Penalties Account

In 2020/21 a new trust account, the Residential Tenancies Tribunal Penalties Trust Account, was established. The purpose of this trust account is to collect tribunal costs and penalties from landlords and direct the payment to tenants under the *Residential Tenancies Act 1986*.

Weathertight Financial Assistance Package Trust Account

This trust account is used to temporarily hold the building consent authorities' 25 per cent share of repair costs claimed by eligible owners of leaky homes under the Government's Weathertight Services FAP, once approved, but prior to payment to the eligible homeowners.

East Coast Plugging and Abandonment Trust

The East Coast Plugging and Abandonment Trust was established to hold a third-party contribution to plugging and abandonment costs, for exploration wells drilled under two petroleum exploration permits. The funds may be used to meet any legal, accounting or other costs associated with holding, distribution, or be transferred to a third party to help fulfil the purpose.

Construction Contracts Trust Account

A new trust account has been established to hold retention money held on construction contracts as required under the *Construction Contracts (Retention Money) Amendment Act 2023*. MBIE currently enters into construction contracts as part of some programmes of work and for fitouts relating to its property footprint. In most cases, these contracts include provisions for retention of a portion of the total payments in the contract. This retained money is held in the Construction Contracts Retention Trust Account until payable to the construction vendor.

Appendix 3: Employee Information

The table below presents information on the gender, age and remuneration banding (in \$10,000 bands) of all permanent and fixed-term staff employed under New Zealand terms and conditions at 30 June 2024.

The allocation of a remuneration band is based on an employee's base salary only (and is not FTE adjusted); it does not include allowances or employer superannuation contributions. Casuals, contractors and employees on leave without pay as at 30 June 2024 are not included in the table.

Salary bands above \$300,000 have been combined to protect the privacy of those employees.

Age Bracket	Under 30				30-39				40-49				Over 50				Unknown				Total
	D	F	M	U	D	F	M	U	D	F	M	U	D	F	M	U	D	F	M	U	
Salary band																					
\$50,000-\$59,999	-	38	10	1	-	25	6	3	-	17	5	1	-	13	1	-	1	8	-	-	129
\$60,000-\$69,999	4	320	125	13	2	273	116	7	-	146	44	3	-	135	52	5	-	47	11	-	1,303
\$70,000-\$79,999	3	304	130	11	2	219	96	2	-	147	58	2	-	141	58	1	-	21	8	-	1,203
\$80,000-\$89,999	1	121	67	5	-	116	52	2	-	72	39	1	-	52	38	1	-	8	5	-	580
\$90,000-\$99,999	-	64	34	1	-	96	73	3	-	75	34	1	-	63	31	1	-	5	1	1	483
\$100,000-\$109,999	1	60	35	2	2	75	59	3	-	44	28	1	-	42	35	1	-	3	2	-	393
\$110,000-\$119,999	1	66	39	5	-	99	81	5	-	72	69	-	-	39	66	3	-	4	2	-	551
\$120,000-\$129,999	-	22	15	1	-	63	50	6	-	45	35	2	-	38	38	1	-	2	2	-	320
\$130,000-\$139,999	1	17	16	-	1	55	48	1	-	41	36	1	-	38	31	-	-	2	3	-	291
\$140,000-\$149,999	-	5	6	1	-	44	33	4	1	57	36	3	-	38	34	-	-	4	1	1	268
\$150,000-\$159,999	-	1	2	-	-	30	25	1	-	51	33	-	-	21	33	-	-	3	4	-	204
\$160,000-\$169,999	-	-	3	1	-	17	13	-	-	27	28	2	-	24	40	-	-	3	1	-	159
\$170,000-\$179,999	-	-	-	-	-	10	10	-	-	20	16	1	-	12	8	1	-	-	-	1	79
\$180,000-\$189,999	-	-	1	1	-	11	15	-	-	13	22	-	-	5	18	-	-	-	-	-	86
\$190,000-\$199,999	-	1	-	-	-	5	6	-	-	20	10	-	-	6	15	1	-	-	-	-	64
\$200,000-\$209,999	-	1	-	-	-	2	-	-	1	10	13	-	-	10	13	1	-	-	1	-	52
\$210,000-\$219,999	-	-	-	-	-	2	1	-	-	7	13	-	-	4	7	-	-	-	-	-	34
\$220,000-\$229,999	-	-	-	-	-	5	-	-	-	3	5	-	-	5	6	-	-	1	-	-	25
\$230,000-\$239,999	-	-	-	-	-	-	-	-	-	2	4	-	-	2	1	-	-	-	-	-	9
\$240,000-\$249,999	-	-	-	-	-	1	3	-	-	4	2	-	-	1	4	-	-	-	-	-	15
\$250,000-\$259,999	-	-	-	-	-	1	-	-	-	2	4	-	-	1	-	-	-	-	-	-	8
\$260,000-\$269,999	-	-	-	-	-	-	-	-	-	2	-	-	-	1	3	-	-	-	-	-	6
\$270,000-\$279,999	-	-	-	-	-	1	-	-	-	6	2	-	-	2	4	-	-	-	1	-	16
\$280,000-\$289,999	-	-	-	-	-	-	-	-	-	2	2	-	-	1	4	-	-	-	-	-	9
\$290,000-\$299,999	-	-	-	-	-	-	-	-	-	-	-	-	-	2	4	-	-	-	-	-	6
\$300,000-\$399,999	-	-	-	-	-	-	-	-	-	1	3	-	-	1	4	-	-	-	1	-	10
Over \$400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	2	3	-	-	-	-	-	5
Total	11	1,020	483	42	7	1,150	687	37	2	886	541	18	-	699	551	16	1	111	43	3	6,308¹

¹ This total excludes 122 locally engaged staff working overseas

D = Gender Diverse; F = Female; M = Male; U = Undisclosed

Appendix 4: Immigration and Migrant Levies

Under the *Immigration Act 2009*, a report must be provided in respect of the financial year outlining the total amount collected through the Immigration Levy and the Migration Levy, and how it has been applied. The following tables detail the allocation of the levies and summarise the amounts collected.

Allocation of Immigration Levy

Vote	Programme	Actual 2022* \$000	Actual 2023* \$000	Actual 2024 \$000	Forecast 2025 \$000
Labour Market	Immigration Research Programme, including evaluation	2,200	2,200	2,200	2,200
Labour Market	Settlement services	863	894	1,978	15,430
Labour Market	Border security	10,870	10,829	11,201	19,002
Labour Market	Immigration compliance	8,468	19,223	19,799	19,424
Labour Market	Immigration information, education & attraction (formerly Marketing and attraction)	6,840	7,670	7,670	8,725
Education	English for Speakers of Other Languages (ESOL) for adults (home and community based)	426	–	–	–
Labour Market	Regional skills matching and job assistance services	1,227	–	–	–
Labour Market	Multi-lingual settlement information programmes	454	–	–	–
Education	Migrant futures – Work Connect Programme	1,613	–	–	–
Education	Pacific Work Connect Programme	564	–	–	–
Education	Bilingual support workers	514	–	–	–
Labour Market	Welcoming Communities	2,135	3,775	1,180	1,550
Labour Market	Immigration data and intelligence capability	–	8,271	7,635	7,635
Labour Market	Provision of the infrastructure and systems to support immigration processing	–	66,782	84,576	78,720
Labour Market	Immigration risk management and verification	–	9,451	8,380	8,380
Labour Market	Investor Migration Programme	–	1,670	1,670	1,670
Labour Market	Immigration Policy Advice and related services to Ministers	–	–	–	4,888
Labour Market	Regulation of Immigration Advisors	1,400	1,400	1,400	1,872
Education	ESOL in Schools (English for Speakers of Other Languages Programmes)	–	–	–	50,302
Total Immigration Levy allocation		37,574	132,165	147,689	219,798

* Prior year balances have been amended to include a historic adjustment related to funding the Immigration Advisers Authority made in the Immigration Fee and Levy Review 2018, where funding for this activity would be entirely from immigration levy.

Summary of Immigration Levy

	Actual 2022* \$000	Actual 2023* \$000	Actual 2024 \$000	Forecast 2025 \$000
Balance at 1 July	(34,793)	1,943	(44,674)	(96,843)
Revenue	74,310	85,548	95,520	214,723
Allocations	(37,574)	(132,165)	(147,689)	(219,798)
Balance at 30 June	1,943	(44,674)	(96,843)	(101,918)

* Prior year balances have been amended to include a historic adjustment related to funding the Immigration Advisers Authority made in the Immigration Fee and Levy Review 2018, where funding for this activity would be entirely from immigration levy.

The Immigration Levy replaced the Migrant Levy in December 2015.

The Immigration Levy funds migrant settlement and migration research. It also contributes to Immigration New Zealand functions, including border, compliance, marketing and attraction and provision of the infrastructure and systems to support immigration processing.

It is charged to principal applicants on temporary (including visitor, student and work) and residence (including skilled migrant, family and some international/humanitarian) visa applications. Levy rates are differentiated based on the immigration functions each broad visa category generates the need for or benefits from.

Allocation of Migrant Levy

Vote	Programme	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Forecast 2025 \$000
Education	Teacher aide support for ESOL virtual classroom	308	-	-	-
Education	Investigating effectiveness of ESOL programmes in schools	100	-	-	-
	Total Migrant Levy allocation	408	-	-	-

Summary of Migrant Levy

	Actual 2022 \$000	Actual 2023 \$000	Actual 2024 \$000	Forecast 2025 \$000
Balance at 1 July	1,517	1,109	1,109	1,109
Revenue	-	-	-	-
Allocations	(408)	-	-	-
Balance at 30 June	1,109	1,109	1,109	1,109

Residual amounts of Migrant Levy revenue were received in 2019/20 (while visa applications made under the Migrant Levy continued to be processed), and funds are held in a tagged account.

These funds are used to fund innovative one-off and small-scale settlement initiatives and enable an evidence base to be built to inform potential longer-term funding allocations.

Appendix 5: Building Advisory Panel

The Building Advisory Panel (BAP) is a statutory body that provides independent advice to the Chief Executive of MBIE. BAP focuses on strategic issues facing the built environment and the construction sector. It also provides guidance, advice, and direction on ways MBIE can support the sector to be innovative and high performing.

The BAP panel members are:

- › Sally Grey (Chair)
- › Adrienne Miller
- › Dr Troy Coyle
- › Chantelle Bailey
- › Jared Bernard
- › Malcolm Fleming
- › Patrick Dougherty
- › Scott Fisher

Meetings and Advice

The BAP were appointed in December 2022, and since that time they have met six times. The BAP are particularly interested in assisting MBIE through the provision of advice on key priority work programmes such as streamlining the Building Consenting System, reviewing the Earthquake Prone Buildings scheme, accessibility, and updates to various aspects of the Building Code.

BAP members are appointed for a maximum term of three years. As such, the current members' stint will finish in 2025.

In the 2023/24 financial year, the following payments were made to BAP members.

Remuneration

The BAP is a statutory board for the purposes of the *Fees and Travelling Allowances Act 1951*. The following fees payable to the BAP members were determined in line with the Cabinet Fees Framework:

- › Chairperson: \$810 per day, or an hourly pro-rata rate as required
- › Panel members: \$540 per day, or an hourly pro-rata rate as required.

	Actual Meeting Fees (incl. GST)	Actual Other Expenses (incl. GST)
Building Advisory Panel Member		
Sally Grey – Chair	3,898	2,391
Adrienne Miller	2,358	1,380
Dr Troy Coyle	2,025	1,921
Chantelle Bailey	3,240	–
Jared Bernard	–	–
Malcolm Fleming	–	–
Patrick Dougherty	–	–
Scott Fisher	4,253	393
Total BAP fees and other expenses for 2023/24	15,774	6,085

Appendix 6: International Visitor Conservation and Tourism Levy

This notional account tracks the balance of the International Visitor Conservation and Tourism Levy collected under part 3 of the *Immigration (Visa, Entry Permission, and Related Matters) Amendment Regulations 2019*. The account records International Visitor Conservation and Tourism Levy revenue collected by the Crown, offset by expenditure within MBIE and the Department of Conservation on designated and approved programmes and projects.

The levy is set at \$35 per person who applies for a temporary entry class visa, other than at an immigration control area or a port; or requests a traveller Electronic Travel Authority as a condition of a temporary entry class visa waiver.

	Actual 2023* \$000	Actual 2024 \$000
Balance at 1 July	31,872	65,580
Revenue	44,871	62,509
<i>Expenditure:</i>		
MBIE	7,615	3,519
Department of Conservation	3,548	15,746
Total expenditure	11,163	19,265
Net surplus	33,708	43,244
Balance at 30 June	65,580	108,824

* Prior year balances have been amended to include a historic adjustment related to administration and fund management costs for the Department of Conservation.

Appendix 7: Other Disclosures

Immigration Act 2009

Under the *Immigration Act 2009*, some immigration officers have powers to enter and search employers' premises for any specified person or specified employee who are not entitled to work in New Zealand or are in breach of their visa (section 277A(3)(a) or (b)). Section 277C of the *Immigration Act 2009* requires every annual report to report any instances where these powers were used. During this reporting period, there were no instances where interactions with employers at their premises required the exercise of these powers (as interactions proceeded with consent).

Victims' Rights Act 2002

The main service that MBIE provides to registered victims of crime is the opportunity to provide comment on the possible deportation of the offender(s). MBIE has not received any complaints from victims during the reporting year.

Children's Act 2014

MBIE, as required by the *Children's Act 2014*, has a Child Protection Policy which is published on the MBIE website and regularly reviewed. MBIE has operationalised the policy, including the responsibility to ensure that third parties which MBIE contracts or has funding arrangements with, involving the provision of children's services, have adequate policies and procedures in place to ensure safety and wellbeing of children and young persons. MBIE actively monitors and reports to the senior leadership of MBIE on compliance with the policy and has developed a compliance monitoring and assurance plan to ensure MBIE is managing its obligations under the Act, identify compliance gaps and remediate if necessary.

Departures from Operating Guidelines for Levels of Lakes Manapōuri and Te Anau

MBIE must include in its annual report, under section 4A(3) of the *Manapouri – Te Anau Development Act 1963*, any departures from the operating guidelines for the levels of Lakes Manapōuri and Te Anau. Meridian Energy is required to advise MBIE, acting for Minister for Energy, of any departures. There were no departures requiring disclosure for the reporting period.

Enhancing Identity Verification and Border Processes Legislation Act 2017

MBIE (Immigration) has an arrangement with New Zealand Police to access information pursuant to Part 7 of the *Privacy Act 2020*. MBIE accesses identity information held by New Zealand Police to verify the identity of a person where there is good cause to suspect the person may have committed an offence against the *Immigration Act 2009*; has obtained a visa in a false identity; is liable for deportation or turnaround; or is unlawfully in New Zealand. During this reporting period, there were no requests to New Zealand Police.

Appendix 8: Organisational Capability

Whāinga Amorangi

The *Public Service Act 2020* section 14 explicitly recognises the role of the public service in supporting the Crown in its relationships with Māori under the Treaty of Waitangi/Te Tiriti o Waitangi. Whāinga Amorangi is a cross public service initiative where each agency creates a plan to build their individual and organisational capability to engage with iwi Māori. Whāinga Amorangi is designed to empower our people to build understanding and confidence across core capabilities including te reo Māori, the history of Aotearoa New Zealand and the Treaty/Te Tiriti.

In September 2023, a Ministry-wide survey was undertaken to understand the capability levels under the four areas of Whāinga Amorangi. Based on survey results, the capability levels for Tier 1 to Tier 3 leaders (56% response rate) are as follows.

Competency	Capability target	Current capability level
Te Reo Māori	Comfortable	94% comfortable or above
Tikanga/Kawa	Confident	28% confident or above (noting 55% are comfortable)
Te Tiriti o Waitangi/Treaty of Waitangi and Aotearoa New Zealand history	Confident	38% confident or above (noting 58% are comfortable)
Engagement with Māori	Confident	36% confident or above (noting 58% are comfortable)

Based on survey results, the capability levels for Tier 4 leaders and beyond (36% response rate) are as follows.

Competency	Capability target	Current capability level
Te Reo Māori	Comfortable	76% comfortable or above
Tikanga/Kawa	Comfortable	71% comfortable or above
Te Tiriti o Waitangi/Treaty of Waitangi and Aotearoa New Zealand history	Comfortable	88% comfortable or above
Engagement with Māori	Comfortable	76% comfortable or above

Since the implementation of Whāinga Amorangi, MBIE the following have been achieved. has improved its learning progress. As of 30 June 2024,

Te Reo Māori	Tikanga/Kawa	Te Tiriti o Waitangi/New Zealand History
1,580 people have completed Te Reo Māori modules x2	267 people have completed Tikanga/Kawa modules x3	676 people have completed Te Tiriti o Waitangi/ New Zealand History module and The Wall Walk workshop

Employees/kaimahi have shared examples of the effect that building their Māori–Crown capability has had on their work/mahi, including feeling more confident using te reo and applying tikanga Māori at work.

MBIE started offering The Wall Walk in March 2020, to raise collective awareness of significant events in the history of New Zealand’s bicultural and Māori–Crown relations. As at June 2024, just over 1,800 current MBIE staff had attended The Wall Walk. A course evaluation found 85% of respondents said the course was very or extremely useful to support their understanding of New Zealand’s bicultural context. Increasing the understanding of the Treaty/Te Tiriti has meant our people have a renewed sense of connection to New Zealand’s history and a fresh appreciation for how our actions today shape and affect our tomorrow.

Te Ara Reo Rangatira: Māori language strategy

Our te reo Māori competency area is supported by Te Ara Reo Rangatira. The strategy incorporates three phases.

- › Phase One focuses on alignment to Whāinga Amorangi, building and strengthening Māori–Crown relations for all employees/kaimahi.
- › Phase Two focuses on weaving te reo into how MBIE operates.
- › Phase Three focuses on making sure we are doing the basics well, providing opportunities for te reo Māori to be learnt, shared and enjoyed.

Te Ara Reo Rangatira is intended to cover the period 2023 to 2025.

Inclusion and belonging

Papa Pounamu, led through Te Kawa Mataaho – Public Service Commission, sets the diversity and inclusion work programme for the wider public service. The five priority areas, which shape MBIE’s inclusion and belonging programme, focus on achieving the most positive impact across all diversity dimensions. In addition, we have specific actions and targets to minimise and close gender and ethnic pay gaps.

Te āheinga ā-ahurea | Cultural competence

An important focus is to reflect the significance of the Māori–Crown relationship and increase MBIE’s cultural competency and confidence across the broadest range of cultures. Alongside Whāinga Amorangi, we have strengthened our cultural competency by implementing various learning programmes, including Mana Aki, MBIE’s inter-cultural competence programme, which builds inter-cultural awareness and understanding (completed by 188 people as at 30 June 2024 with 3,045 in total since its launch in September 2020).

Te urupare i te mariu | Addressing bias

Addressing bias towards identity markers, such as race, ethnicity, gender, sexual orientation or ability, is essential for making sure all people are provided with opportunities during their recruitment, onboarding, development and career progression stages. As at 30 June 2024, several learning programmes and initiatives were available, including:

- › Nō Konei learning that consists of nine foundation-level modules on bias – based on gender, ability, and sexual orientation and ways to negate it, with 119 people engaged
- › a module on the Rainbow Community, completed by 357 people
- › a two-day workshop on racial equity and bias, attended by 173 people
- › continued delivery of Mana Whakatōpū, a unique six-month wāhine Māori programme for leadership from a kaupapa Māori worldview.

Hautūtanga ngākau tuwhera | Inclusive leadership

How we lead across the public service matters. Inclusion and diversity capability across the organisation depends on strong and inclusive leadership. We work to make sure this occurs within MBIE by:

- › providing learning opportunities through specific programmes to build leadership capability
- › making sure senior leaders sponsor employee networks and support and attend associated learning programmes
- › supporting flexible working arrangements for leaders, as well as mental and physical wellbeing, and health and safety practices.

Te whakawhanaungatanga | Building relationships

Inclusion and belonging depend on having diverse and supportive relationships in our workplaces. We draw on these relationships to create positive change. This is shown through:

- › strategic governance and oversight of the inclusion and diversity strategy by the Inclusion and Diversity Council, and their recommended changes to policies, processes, initiatives and facilities
- › Tōku Whāinga | My Career, a continuous performance framework based on regular check-ins, shared reflection and learning, with respect and care
- › Kohinga Kōrero | Conversations That Matter, to support people leaders to have more meaningful and effective conversations with their teams
- › a culture of celebrating people's achievements through MBIE values and shout-out cards, awards, branch newsletters and group hui.

Ngā tūhononga e kōkiritia ana e ngā kaimahi | Employee-led networks

Having a space to connect with others with shared experiences supports people to bring their authentic selves to work. Our employee-led networks help connect people, create opportunities to engage and learn, and advocate for the needs of their network.

Over 2023/24, we have:

- › increased the number of employee-led networks, which now include:
 - Te Rau Puāwai | Wāhine Māori Network
 - Te Whakatairanga Māori Network
 - Pacific Staff Village Network
 - Women of Colour Network
 - Asia-International Network
 - Asia-International Pride Network
 - African Community Employee Network

- Arahanga Wāhine | Women's Network
- Ngāi Kahukura | Rainbow Network
- Te Aumangea | Mental Health Network
- Te Tae Whakapakari | ENABLED
- Kete Taiao | Sustainability Network

- › strengthened our senior leaders' sponsorship and support for all employee-led networks
- › held employee-led events and initiatives that celebrate culture, inclusion, highlight issues and educate others
- › provided centralised governance, administrative and financial guidance, and support for all employee-led networks.

Kia Toipoto | Closing gender, Māori, Pacific and ethnic pay gaps

Educating people leaders is an important part of increasing people's understanding of how unconscious bias can affect gender and ethnic pay gaps. This aims to make sure the benefits gained by the initiatives and corrections are sustained.

In late 2023, MBIE published Kia Tu Ranga: Pay Gap Action Plan 2023-2024 in response to guidance from Te Kawa Mataaho – Public Service Commission. The action plan focuses on monitoring and embedding the strategies already in place from the 2018-2022 Ministry Gender Pay Action Plans. The plan also extends actions to cover leadership and workforce representation with both a gender and ethnicity lens, to follow Kia Tu Ranga: Pay Gap Action Plan 2023-2024.

Several initiatives within the action plan are the result of reviews and engagement with our people, unions and employee-led network members.

Five-year workforce and leadership representation targets were added to the plan. These targets include focus areas for improving diversity data, senior leadership (gender and ethnicity), workforce representation (ethnicity) and leadership representation (ethnicity).

Overall, MBIE's gender and ethnic pay gaps are:

- › 14.2% gender pay gap (a 1.3% increase from the previous year)
- › 4.2% pay gap for Māori (2.2% decrease from the previous year)
- › 20.1% pay gap for Pacific peoples (0.8% decrease from the previous year)
- › 18.7% for Asian peoples (0.3% increase from the previous year)
- › 12.4% for Middle Eastern, Latin American, and African peoples (2.1% increase from the previous year).

Wellbeing, health and safety

To ensure effective oversight of our activities, we have established the Wellbeing, Health, Safety and Security Governance Committee and Wellbeing, Health, Safety and Security Steering Committee. Members include MBIE's Senior Leadership Team, general managers, people leaders, subject matter experts and various health and safety representatives from across the organisation for their respective functions. The Wellbeing, Health, Safety and Security Governance Committee meets monthly, whereas the steering committee meets bi-monthly.

This year, we continued to review our wellbeing, health and safety governance structure by evaluating and monitoring wellbeing, health and safety representatives' engagement and contribution to important wellbeing, health and safety decisions.

Mental health

In 2023/24, we introduced mental health first aid training for our wellbeing, health and safety representatives. Twenty-five representatives have attended across the country/motu. Our next steps plan to extend this training to our managers, people leaders and other representatives in leadership positions within the organisation. This training aims to increase knowledge and awareness about mental health and mental illness. It also aims to build the confidence of staff in talking to their colleagues about these topics, people's ability to promote mental health in the workplace and to support one another.

In addition, we extended the number of counsellors and psychologists onsite. MBIE's appointed panel of suppliers for psychological support and clinical psychological services make sure employees/kaimahi are provided with adequate geographic, culturally diverse and specialisation coverage services, supporting MBIE towards a more holistic approach of working with people. The procurement of independent clinical services allows MBIE to delve into the higher level of mental health and wellbeing coverage. This helps those who need specialised support from clinical psychologists and other experts outside the scope of Employee Assistance Programme (EAP) counselling services. Many people have attended counselling sessions and specialist psychology services across our locations. This initiative has allowed seamless access to mental health support with increased accessibility to mental health services for our employees/kaimahi and shorter waiting times.

Health monitoring

As part of the AEP, we partner with a third-party administrator to manage claims handed over from the Accident Compensation Corporation (ACC). During the year, MBIE had 56 work-related ACC claims and 46 non-work-related ACC claims, both managed by a third-party administrator. No injuries, illnesses or incidents required notification to WorkSafe New Zealand.

Wellbeing, health and safety events

The organisational changes and realignment processes following the new government's fiscal announcements have affected MBIE people leading to an increase in requests for onsite EAP sessions as well as psychological referral requests. While this year has not been easy for our people, MBIE continues to innovatively provide support to its employees.

The table below shows the number of events reported this year compared with 2022/23.

Type	2022/23	2023/24
Wellbeing events	355	373
Early reported pain, discomfort and harm	714	525
Near miss	289	266
Violence and aggression (direct and indirect, including challenging communications)	706	705
Other events	218	215
Events resulting in injury or illness (including non-work-related)	267	288
Critical risk events	217	184
Work-related ACC claims (managed by our third-party administrator)	49	39
Non-work-related ACC claims (managed by our third-party administrator)	76	49
Incidents requiring notification to WorkSafe New Zealand under the <i>Health and Safety at Work Act 2015</i>	0	0

Critical health and safety risks

As part of our ongoing work on managing critical risks, we continue to take an all-hazards approach to risk management, including psychosocial hazards as a necessary element of our risk assessment, control and management processes.

Our change and improvement projects include the upgrade of the Get Home Safe application, which has expanded its functionality and been rolled out to the wider MBIE community for all our field staff. The National Communications Centre upgrade is due to be completed in late August to early September 2024 to provide a more flexible and resilient working environment. Work to redesign the existing Situational Safety and Tactical Communication training options is under way, including delivery of three new e-learning modules on de-escalation, situational awareness and safe communication.

Further work has been done to improve reporting and processes around the management of challenging communication, duress alarm response, senior leadership engagement, contractor management and the risk-based use of important critical controls.

Emergency management

Over 2023/24, MBIE’s Emergency Management and Business Continuity (EMBC) team have responded and contributed to 24 incidents of various scales. This has included supporting Immigration New Zealand in nationally significant events, responding to multiple safety and security incidents across Auckland’s central business district, to various disruptions locally at MBIE sites across the country/motu.

The EMBC team have facilitated training for 90 MBIE staff for the Coordinated Incident Management System training. This has increased MBIE’s ability to be able to respond to adverse events effectively internally and in support of a wider government response.

The EMBC team are also supporting the Wellbeing, Health and Safety team in their overlapping duties work by ensuring emergency response processes and procedures are aligned with wellbeing, health and safety processes.













Appendix 9: MBIE’s Sustainability Framework

MBIE’s Sustainability Framework informs our programme of initiatives that create change and reduce our operational emissions in line with our science-aligned emissions reduction targets.

Reducing our emissions, improving operational efficiency and empowering and enabling our people is a priority objective in supporting the transition to a low-emissions economy.

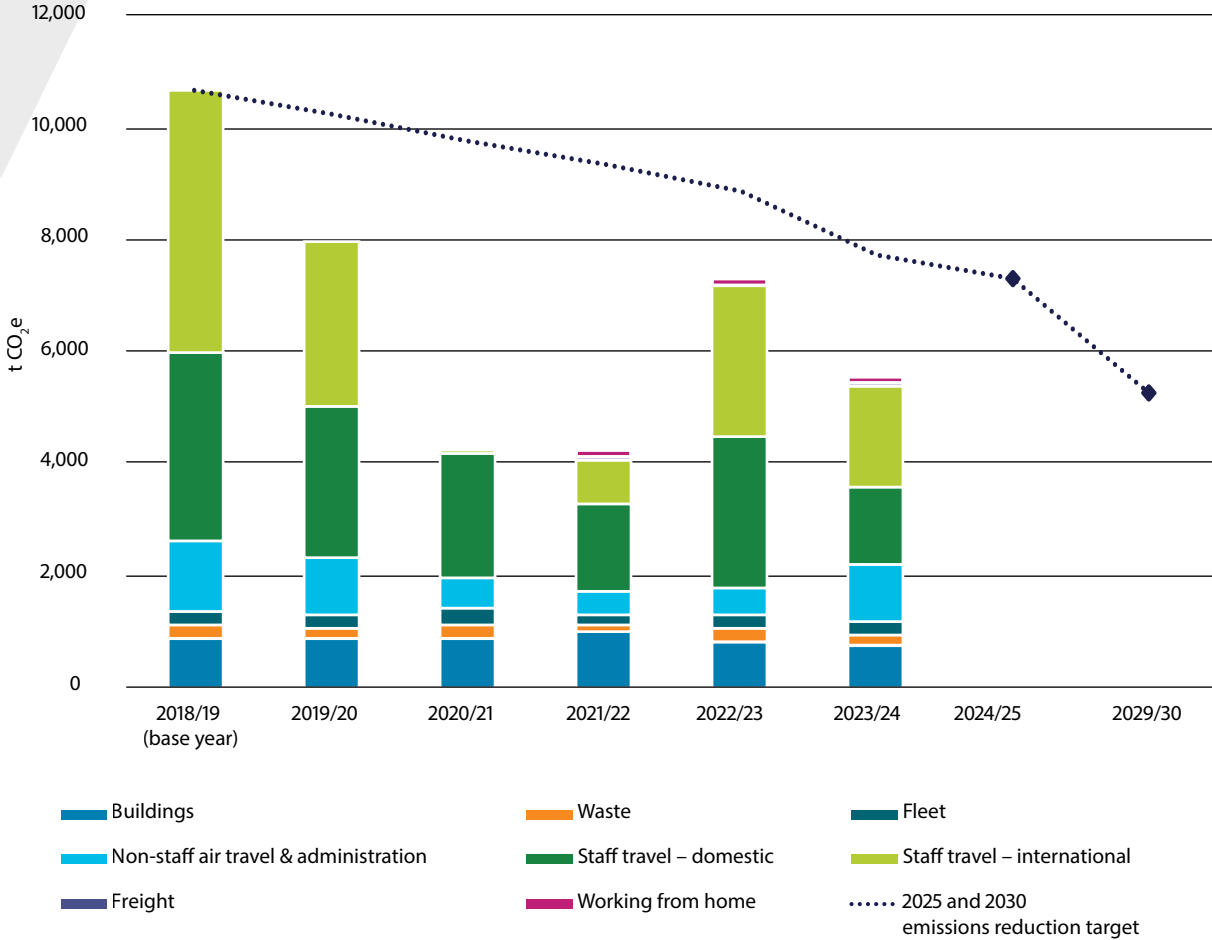


Delivery of emissions reduction and sustainability initiatives

			SUSTAINABILITY OUTCOMES						
TARGETS	INITIATIVES	DELIVERY							
	Measure, externally certify and report our Scope 1, Scope 2 and material Scope 3 emissions annually	Implement emissions and sustainability platform to enable measurement, analytics and MBIE-wide reporting	June 2024 for 2023/24 reporting	✓	✓	✓	✓	✓	
	Reduce emissions by 25% by 2025 and 46% by 2030	Annual audit of Greenhouse Gas Inventory	Annual		✓	✓			
	Reduce business domestic and international air travel emissions by 35% by 2025	Update MBIE travel policy and procedures	2023 Evidence of travel booking behaviour change in 2023/24	✓			✓	✓	
		Digital travel approval form includes emissions and tracking against target allocation	2023	✓			✓	✓	
		Travel budgets (\$) reflect emissions reduction	Annual				✓		
	Improve operational efficiency of our sites	Embedding sustainability targets into property strategy ('Investing in efficiency')	2023/24 Sustainability benefits and targets included in projects	✓	✓		✓	✓	
		Property consolidation programme	Programme in implementation	✓	✓	✓	✓		
		Prepare Life Cycle Assessments for significant projects. Develop a learning library for application on all projects	Auckland Property Office project realised reduced new materials use through innovation at design and implementation stage				✓	✓	✓
		Targeted NABERS assessments (asset management)	Ongoing		✓	✓			
	Improve operational efficiency of our fleet	Remove under-utilised vehicles from fleet	Twenty-six under-utilised vehicles removed from fleet (from 2021/22)	✓	✓				
		Phased roll-out of electric vehicles to meet fleet requirements (including charging infrastructure)	Eight battery electric vehicles introduced in 2023/24; charging infrastructure installed at two sites				✓	✓	
		Implement pool fleet, with booking system	2024/25				✓	✓	✓
	Reduce waste to landfill (increased diversion of organics and recyclables from landfill)	Improve quality of supplier data and include reporting in Footprint	2024/25		✓	✓	✓		
		Education to support waste reduction initiatives	Kete Taiao				✓	✓	
	Apply circular economy principles to our purchasing decisions and contracts		Auckland Policy Office project reused 100% of existing furniture in office fitout		✓	✓	✓	✓	✓
			Garden planter boxes at Te Whare Oranga made from 100% recycled single-use plastics		✓	✓		✓	✓
	We understand and address the actual and potential effects of climate change on our operations, strategy and investments	Identify and understand the physical and transition risks that MBIE as an organisation is exposed to	Risk screening of climate hazards on assets and infrastructure	✓	✓	✓	✓	✓	
			Developing a systems approach to climate risk						
	Our people are empowered to innovate and navigate towards a better future	Identify opportunities in our procurement processes to reduce operational emissions and improve sustainability reporting	Engagement with businesses and inclusion of sustainability clauses into contracts				✓	✓	
		Share experience and learnings (internal and external audiences)	Carbon Neutral Government Programme Community of Practice leadership Workshops and team presentations				✓	✓	

Emissions reduction

Our total (gross) emissions for 2023/24 were 5,495 tonnes of carbon dioxide equivalent (t CO₂e), 44% less than our base year and within our 2025 emissions reduction target trajectory.



The significant emissions reduction is a direct result of less domestic and international travel by our people. Notable reductions are 32% less domestic air travel kilometres than last year (50% less than 2018/19) and 50% less international air travel kilometres than in 2018/19. Embedding emissions calculations into our travel policy and budgeting process and targeted reporting and education initiatives have also influenced travel class bookings. We achieved a 60% reduction in long-haul business class travel from last year, resulting in significant fiscal and emissions savings.

Our property consolidation strategy is a major initiative to reduce energy use across the property portfolio. We will continue to prioritise sustainability and decarbonisation in lease agreements and investment decisions, realising opportunities for waste reduction and energy efficiency in our design and contracts.

Fleet emissions continue to decrease through implementation of our fleet optimisation and efficiency programme and the transition of light vehicles to electric or plug-in hybrid vehicles.

Our emissions reduction plan details specific initiatives to support the outcomes of our sustainability framework. We continue to partner across the business to identify and realise opportunities to improve our operational efficiency. Kete Taiao, our internal staff sustainability network, continues to build membership across MBIE.

Total emissions by emissions source (tonnes carbon dioxide equivalent (t CO₂e))

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
DEPARTMENTAL (MBIE)						
Scope 1	408.68	350.54	400.54	389.38	444.83	443.00
Natural gas (reticulated)	138.57	132.82	108.99	200.45	198.56	231.69
Transport fuel (fleet)	270.11	217.71	291.55	188.93	246.26	211.32
Scope 2	656.86	674.17	706.33	691.05	484.34	465.90
Purchased electricity	656.86	674.17	706.33	691.05	484.34	465.84
Purchased electricity for electric vehicles						0.06
Scope 3	9,606.49	6,921.61	3,130.87	3,147.84	6,370.77	4,586.17
Category 3: Indirect emissions from transportation						
Freight	0	0	0.00	46.63	2.47	6.38
Staff travel – domestic	3,360.67	2,699.19	2,230.83	1,563.68	2,713.94	1,339.37
Staff travel – international	4,690.18	2,962.15	54.01	776.04	2,720.07	1,850.78
Working from home	0.00	0.00	0.00	133.59	99.92	93.29
Category 4: Indirect emissions from products used by the organisation						
Non-staff air travel – domestic	186.67	135.50	30.91	127.10	245.04	267.01
Non-staff air travel – international	1,080.41	879.97	523.43	283.60	255.49	778.31
Transmission and distribution losses	66.00	70.03	67.03	68.05	63.48	42.68
Waste	222.56	174.76	224.66	131.66	247.29	189.82
Wastewater services	0	0	0.00	16.42	21.43	17.27
Water supply	0	0	0.00	1.12	1.64	1.27
Total gross emissions (t CO₂e)	10,672.03	7,946.30	4,237.74	4,228.27	7,299.94	5,495.08
Change in gross emissions (all sources) since base year	-26%		-60%	-60%	-32%	-44%
Change in gross emissions (all sources) from previous financial year	-26%		-47%	0%	73%	-16%
CROWN (NON-DEPARTMENTAL)						
Temporary Accommodation Service	0	0	0	0	1,280.46	6.21

Notes:

The greenhouse gas emissions measurement (emissions data and calculations) has been independently verified against ISO 14064-1:2018 by Toitū Enviroware (Enviro-Mark Solutions Limited).

These emissions results align with the Ministry for the Environment's 2024 Measuring Emissions Guidance, which continues to use the 100-year global warming potentials in the Intergovernmental Panel on Climate Change Fifth Assessment Report. Quantifying greenhouse emissions is subject to uncertainty because the scientific knowledge and methodologies used to determine the emissions factors and the processes to calculate or estimate quantities of greenhouse gas sources are still evolving.

The 2023/24 emissions inventory includes all emissions sources required by the Carbon Neutral Government Programme.

The 2023/24 reporting period introduced a new methodology for the calculation of domestic air travel emissions because of the availability of improved reporting data (aircraft type) from August 2023. In line with our recalculation policy, a split target has been introduced to make sure reporting against targets captures this methodology change and does not incorrectly attribute emissions reductions. This has been reflected in the 2023/24 reported percentage change in both gross emissions since the base year and from the previous financial year in this table.

The historic year values presented in this table may differ from that published in 2022/23. This is due to the upload of all verified data into a new emissions reporting platform and minor differences due to emissions factor rounding. Totals may not add due to rounding.

Emissions intensity by financial year (tonnes carbon dioxide equivalent (t CO₂e))

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Full-time equivalent (FTE) positions	5,022	5,555	5,795	6,015	6,282	6,196.5
Expenditure (\$m)	814	931	1,095	1,261	1,198	1,283
Total gross emissions per FTE (t CO ₂ e)	2.13	1.43	0.73	0.70	1.16	0.9
Total gross emissions per million dollars of expenditure (t CO₂e)	13.11	8.53	3.87	3.36	6.09	4.3

Acronyms

ACC	Accident Compensation Corporation	NIWE	North Island weather events
AEP	Accredited Employers Programme	NZBN	New Zealand Business Number
AEWV	Accredited Employer Work Visa	NZCRS	New Zealand Claims Resolution Service
CXI	Customer Experience Index	NZD	New Zealand Dollar
EAP	Employee Assistance Programme	NZ GAAP	New Zealand generally accepted accounting practice
EMBC	Emergency Management and Business Continuity	NZIER	New Zealand Institute of Economic Research
EV	electric vehicle	NZSPR	New Zealand Screen Production Rebate
FDI	foreign direct investment	OECD	Organisation for Economic Co-operation and Development
FTE	full-time equivalent	PBE	public benefit entity
GDP	gross domestic product	PBE FRS	Public Benefit Entity Financial Reporting Standard
GHG	greenhouse gases	PBE IPSAS	Public Benefit Entity International Public Sector Accounting Standard
GST	goods and services tax	pDEI	potential direct economic impact
ICT	information and communications technology	PLA	permanent legislative authority
INZ	Immigration New Zealand	ppp	purchasing power parity
IPONZ	Intellectual Property Office of New Zealand	RDTI	Research and Development Tax Incentive
LGBTQI+	Lesbian, gay, bisexual, transgender, queer/questioning, intersex and more	SFTI	Science for Technological Innovation
MBIE	Ministry of Business, Innovation and Employment	SLT	Senior Leadership Team
MCA	multi-category appropriation	SME	small to medium enterprises
MIQ	Managed Isolation and Quarantine	SNZ	Stats New Zealand
MYA	multi-year appropriation	TAS	Temporary Accommodation Service
NASA	National Aeronautics and Space Administration	t CO ₂ e	tonnes carbon dioxide equivalent
NEET	not in education, employment or training		

Glossary of terms

Departmental expenses

Expenses incurred by MBIE in delivering services and functions on behalf of the Government.

Non-departmental expenses

Expenses incurred by entities other than MBIE in delivering services and functions on behalf of the Government.

Types of expenses

Output

A term for goods, services or functions purchased by the Government. Outputs include policy advice, administration of contracts and the provision of specific services.

Other expense

A term for operating expenses that are not outputs, such as interest expenses and grants.

Appropriation

An appropriation is a sum of money allocated for a particular use. It includes a description of what is being purchased, why it is being purchased and how performance will be assessed. It authorises Ministers to consume public resources and ensures Parliament knows how money will be spent and that government is held accountable for the spending.

Types of appropriations

Annual appropriation

This is the most common type of appropriation and is limited to one financial year, consistent with the annual Budget cycle.

MCA – multi-category appropriation

Multi-category appropriations consist of two or more categories of spending within a single appropriation that contribute to the same overarching purpose.

MYA – multi-year appropriation

Multi-year appropriations allow expenses or capital expenditure to be incurred during a specified period of no more than five financial years. MYAs are generally used where uncertainties or dependencies are likely to affect when costs are incurred (eg, milestone payments for a multi-year project).

PLA – permanent legislative authority

Permanent appropriations are authorised by legislation other than an appropriation Act and continue in effect for an indefinite period. Generally, the authorising legislation will impose limits on the scope of the appropriation and not its amount.

Main estimates

The main estimates are the Government's approved set of appropriations for a year. They are approved and published before the start of the financial year to which they relate.

Supplementary estimates

The supplementary estimates are the Government's approved changes to appropriations within a financial year and supersede the information in the main estimates for that year.



Te Kāwanatanga o Aotearoa
New Zealand Government

MBIE 10681