



# BRIEFING

## Overview of MBIE fiscal sustainability options

<b>Date:</b>	27 November 2023	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	2324-0917

Action sought		
	Action sought	Deadline
Hon Melissa Lee <b>Minister for Economic Development</b>	<p><b>Note</b> that MBIE has reviewed its expenditure to support the Government to achieve its fiscal objectives, and ensure value for money of government spend.</p> <p><b>Note</b> that we have identified a set of reprioritisation options for 2024/25 in the order of <small>Confidential advice to Government</small> across all MBIE portfolios.</p> <p><b>Agree</b> to call a meeting for MBIE Ministers to discuss the reprioritisation options presented in this paper and how best to achieve your respective portfolio priorities as well as overall fiscal objectives.</p>	4 December 2023
<b>MBIE portfolio Ministers</b>	<p><b>Note</b> that MBIE has reviewed its expenditure to support the Government to achieve its fiscal objectives, and ensure value for money of government spend.</p> <p><b>Note</b> that we have identified a set of reprioritisation options for 2024/25 in the order of <small>Confidential advice to Government</small> across all MBIE portfolios.</p>	4 December 2023

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Richard Griffiths	Deputy Secretary Corporate Services, Finance and Enablement	<small>Privacy of natural persons</small>	✓

<b>The following departments/agencies have been consulted</b>
n/a

Minister's office to complete:

Noted

Overtaken by Events

Approved

Needs change

See Minister's Notes

Declined

Seen

Withdrawn

## Comments



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### Purpose

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As the Minister responsible for the Ministry of Business, Innovation and Employment (MBIE), this briefing provides you with an overview of how MBIE is reprioritising to ensure we are investing in and delivering for the priorities of this Government, including:

- an overview of MBIE's fiscal context
- a summary of options across MBIE portfolios
- reprioritisation options across MBIE's corporate services and cross-portfolio options.

### Executive summary

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*MBIE's large volume of portfolios and appropriations make for complex financial and operational management*

MBIE's responsibilities and activities span 20+ interconnected portfolios, 17 regulatory systems, over 25 Crown entities, and oversight of other bodies. The vast majority of MBIE's funding (83%) is non-departmental, with \$2.92 billion channelled through grants and investments across a range of portfolios and \$4.25 billion for Crown entities. The remaining \$1.52 billion (17%) relates to MBIE's departmental operations and capital expenditure, including the provision of services to people and businesses (e.g. immigration processing, employment services, residential tenancy services and policy advice).

*MBIE has adapted to deliver Government priorities, and will continue to do so*

MBIE is focussed on delivering the priorities of the government of the day and will adapt as needed. The size of MBIE, the scale of funds and number of Crown Entities within MBIE portfolios is driven by three key factors:

- The scale and breadth of the government work programme.
- Growth in demand for services (often third-party funded through fees).
- The need to deliver in times of crisis and manage out the legacy of those events.

This briefing notes the substantial fiscal savings returned in the last six months (totalling \$343.78 million over the forecast period), and the range of functions MBIE has absorbed (redirected internal resource to), which (so far as can be costed) amounts to approximately \$21.5 million per annum.

*Consistent with the Government's priorities, we have identified a range of reprioritisation options*

MBIE has reviewed its expenditure to support the Government to achieve its fiscal objectives, and ensure value for money in government spend and delivery for New Zealanders.

Overall, we have identified Confidential advice to Government in reprioritisation options for 2024/25 across MBIE portfolios, as summarised in the table below.

Confidential advice to Government

The majority of savings are Crown-funding, and include:

- **Closure or substantial changes to specific programmes**

- Option for the cessation of programmes in response to government manifesto commitments (including Regional Skills Leadership Groups, Fair Pay Agreements, MBIE-led Industry Transformation Plans, Lake Onslow Battery) offers reprioritisation options of approximately \$272 million over the forecast period.

- Confidential advice to Government

Confidential advice to Government

We are also progressing a programme of strategic investment in our digital technologies to increase automation and realise efficiencies in operational systems including Tenancy services and Immigration.

There will be lead times for some of the reprioritisation options identified, due to the need to divest resources, current contracts, restructuring costs and/or some savings require upfront investment. Further savings could be identified if the Government makes choices to cease further activities.

*There are also cost pressures MBIE needs to manage*

As part of the preparation for this briefing, we have also identified cost pressures, as set out in the following table. **Confidential advice to Government**

There is also no on-going funding for the operation of Kānoa – the Regional Development and Investment Unit. A portion of cost pressures is third-party funded.

Funding source	Departmental (\$m)				
	2023/24	2024/25	2025/26	2026/27	2027/28+
Totals	58.557	164.504	190.578	217.828	220.156

*Alongside cost savings, we have identified potential revenue levers, as well as some strategic opportunities*

MBIE has revenue levers that could be adjusted to meet current costs, future pressures and/or fund new priorities. This includes specific options in the Tourism and Hospitality, Immigration and Workplace Relations and Safety portfolios, as well as options to improve flexibility around use of third-party funding.

MBIE is also responsible for a range of government-wide functions. Many of these functions are 'club-funded', which means they are hosted by MBIE but funded by the contributions of a collection of government departments. These functions contribute to the scale of MBIE. They also offer opportunities for savings across government. In particular, this briefing notes opportunities in:

- **New Zealand Government Procurement** – there is a government-wide opportunity to achieve savings in procurement through increased use of All-of-Government contracts.
- **Commercial Information**

### *Next steps*

To support a coordinated approach to delivering the Government's priorities and fiscal objectives, we recommend that you call a meeting with MBIE portfolio Ministers to discuss the reprioritisation options and strategic opportunities presented in this briefing.

Once reprioritisation decisions are made, we will look to action these swiftly, and then right-size our core services and support structures accordingly.

## **Recommended action**

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The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

### *Reprioritisation options*

- Note** that MBIE has reviewed its expenditure to support the Government to achieve its fiscal objectives and ensure value for money in government spend.
- Note** that we have identified a set of reprioritisation options in the order of **Confidential advice to Government** in 2024/25 across MBIE portfolios.

*Noted*

*Noted*

- c **Note** that the portfolio-specific fiscal briefings provide detailed information about the fiscal options, considerations and trade-offs for each portfolio.

*Noted*

*All-of-MBIE reprioritisation opportunities*

- d **Note** that as MBIE has a number of functions that operate across portfolios, we have taken an all-of-MBIE approach to identifying reprioritisation options in some areas, including policy, and our core services functions, with options in the order of \$98 million over the forecast period.

*Noted*

- e **Note** that further savings in core services are expected, as MBIE re-sizes based on decisions Ministers take in their portfolios.

*Noted*

*Revenue options and system-wide opportunities*

- f Confidential advice to Government



*Noted*

- g **Note** that we have also identified strategic opportunities for efficiencies across government in two MBIE-hosted All-of-Government functions: New Zealand Government Procurement and the Government Property Group.

*Noted*

*Next steps*

- h **Agree** to call a meeting for MBIE portfolio Ministers to discuss the reprioritisation options presented in this paper and how best to achieve your respective portfolio priorities as well as overall fiscal objectives.

*Agree / Disagree*

- i **Note** that we will provide further advice on options you would like to progress, including phasing, costs of change, and risk management.

*Noted*

A handwritten signature in blue ink, appearing to read 'Richard Griffiths'.

Richard Griffiths  
**Deputy Secretary Corporate Services,  
Finance and Enablement**  
MBIE

Hon Melissa Lee  
**Minister for Economic Development**

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27 / 11 / 2023.....

## Background

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1. As Minister for Economic Development you are the Minister responsible for the Ministry of Business, Innovation and Employment (MBIE). You are receiving this briefing alongside the Ownership BIM, which outlines your role as ownership Minister as well as key organisational and budget information.
2. The Government will be operating within a constrained fiscal environment and has set a clear expectation that existing spending should be examined for reprioritisation options and to ensure it is delivering value for money. This briefing identifies cross-MBIE reprioritisation options and summarises portfolio-specific options.
3. We would like to discuss this advice with you at an early opportunity.

### *An All-of-MBIE approach to reprioritisation*

4. MBIE holds a number of connected portfolios, which enables us to leverage the span of responsibilities and functions to provide integrated, end-to-end advice and services. We therefore recommend that MBIE portfolio Ministers meet to consider reprioritisation opportunities as a suite. This will enable:
  - Opportunities to align and consolidate related functions between portfolios, Confidential advice to Government
  - Scaling of core services in response to reprioritisation as well as additional savings identified within these groups.
  - Consideration of trade-offs across functions in order to calibrate impacts, such as directing policy resource to meet the new Government's priorities.

## MBIE's funding context

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### **MBIE's large volume of portfolios and appropriations make for complex financial and operational management**

5. MBIE's responsibilities and activities span 20+ interconnected portfolios, 17 regulatory systems, over 25 Crown entities, and oversight of other bodies<sup>1</sup>.
6. MBIE has just under \$8.7 billion in departmental and non-departmental funding for 2023/24 (as at OBU<sup>2</sup> 2023), spanning three different votes (Building and Construction; Business, Science and Innovation; and Labour Market), a range of revenue sources, and around 200 appropriations (equating to roughly one fifth of all Government appropriations).
7. Of this total, the majority, \$7.17 billion (83%), is non-departmental – with \$2.92 billion channeled through grants and investments across a range of portfolios and \$4.25 billion for 25 Crown entities<sup>3</sup>.

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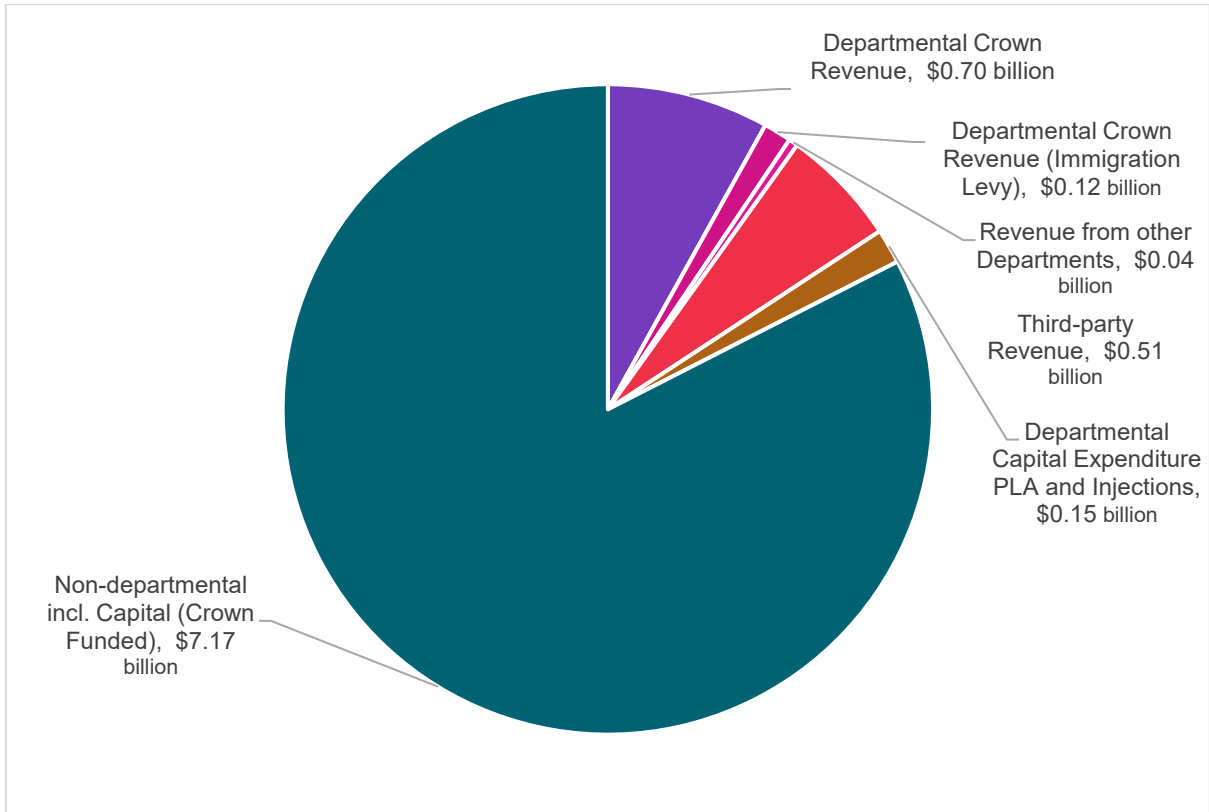
<sup>1</sup> Such as Licensing Boards, Advisory Boards, Ministerial Advisory Committees, Dispute Resolution Boards, Charitable Trusts, Incorporated Societies, Authorities, and Statutory Boards.

<sup>2</sup> The October Baseline Update – this incorporates year-end changes, and any decisions taken since the previous Budget. Confidential advice to Government

<sup>3</sup> MBIE monitors The Accreditation Council, Callaghan Innovation, Commerce Commission, Commission for Financial Capability (headed by the Retirement Commissioner), Energy Efficiency and Conservation Authority, External Reporting Board, Financial Markets Authority, New Zealand Tourism Board, New Zealand Trade and Enterprise, Takeovers Panel, WorkSafe New Zealand, AgResearch,

8. The remaining \$1.52 billion (17%) relates to MBIE’s departmental operations and capital expenditure, including the provision of services to people and businesses. It is funded through a combination of Crown revenue and third-party revenue.
9. The graph below shows the split by funding source across MBIE.

**2023/24 MBIE Funding Sources (as at OBU 2023)**



10. MBIE’s departmental Crown revenue (\$700 million) funds a range of services, including:
  - Immigration services
  - Policy advice
  - Employment relations services
  - Tenancy and unit title Services
  - Science contract management
  - The Crown mineral estate
  - All-of-Government Procurement
  - Regional development operational support
  - Emergency telecommunications capability
  - Cyber security services.



11. The \$0.51 billion of departmental third-party revenue comes from a range of sources, primarily in Immigration (immigration fees), Commerce and Consumer Affairs (companies annual return fees, personal property securities register fees, patent and trademark fees, sale of standards) and Building and Construction (building levies, occupational licensing fees).
12. The following table shows the split of MBIE’s departmental third-party revenue by portfolio.

Portfolio	Third-party revenue (OBU 23) \$m
Immigration	281.60
Commerce and Consumer Affairs	93.18
Building and Construction	65.41
Economic Development	38.04
Media and Communications	11.54
Housing	8.28
Resources	7.51
Public Service	0.26
<b>Total</b>	<b>505.82</b>

13. **Annex 1** provides a detailed breakdown of MBIE’s departmental and non-departmental budget as at OBU 2023 by vote and portfolio for 2023/24. FTE allocations by operational and policy roles are also included.

**MBIE’s baseline funding has increased in recent years due to the addition of new functions and initiatives**

14. MBIE has adapted to support government priorities, with progressive shifts in funding.
15. The COVID-19 response included substantive additions, where, due to MBIE’s span, scale, and delivery track record, we were called on to provide various functions. This included the operation (and wind down) of Managed Isolation and Quarantine (MIQ), supporting businesses and the essential goods/services framework, and supporting the reopening of borders.
16. In the current year (2023/24), MBIE’s isolation and quarantine funding and activities have almost ceased, however MBIE’s baseline funding has increased across other portfolios in order to deliver specific activities.
17. The main contributions to the increase in appropriations since 2019/20 are:
  - Immigration: \$144 million for a range of initiatives (funded through a mix of Crown and Third Party funding), including: addressing Temporary Migrant Worker Exploitation, addressing non-compliance in the Immigration System, Maritime Mass Arrival Prevention, Employer Assisted Work Visa System, improving the system for Refugee Family Reunification, Refugee Quota Programme cost pressures, and Immigration cost pressures associated with reopening the border.
  - Confidential advice to Government
  - Workplace Relations and Safety: \$21 million across several initiatives including the Fair Pay Agreement System and addressing Temporary Migrant Worker exploitation.

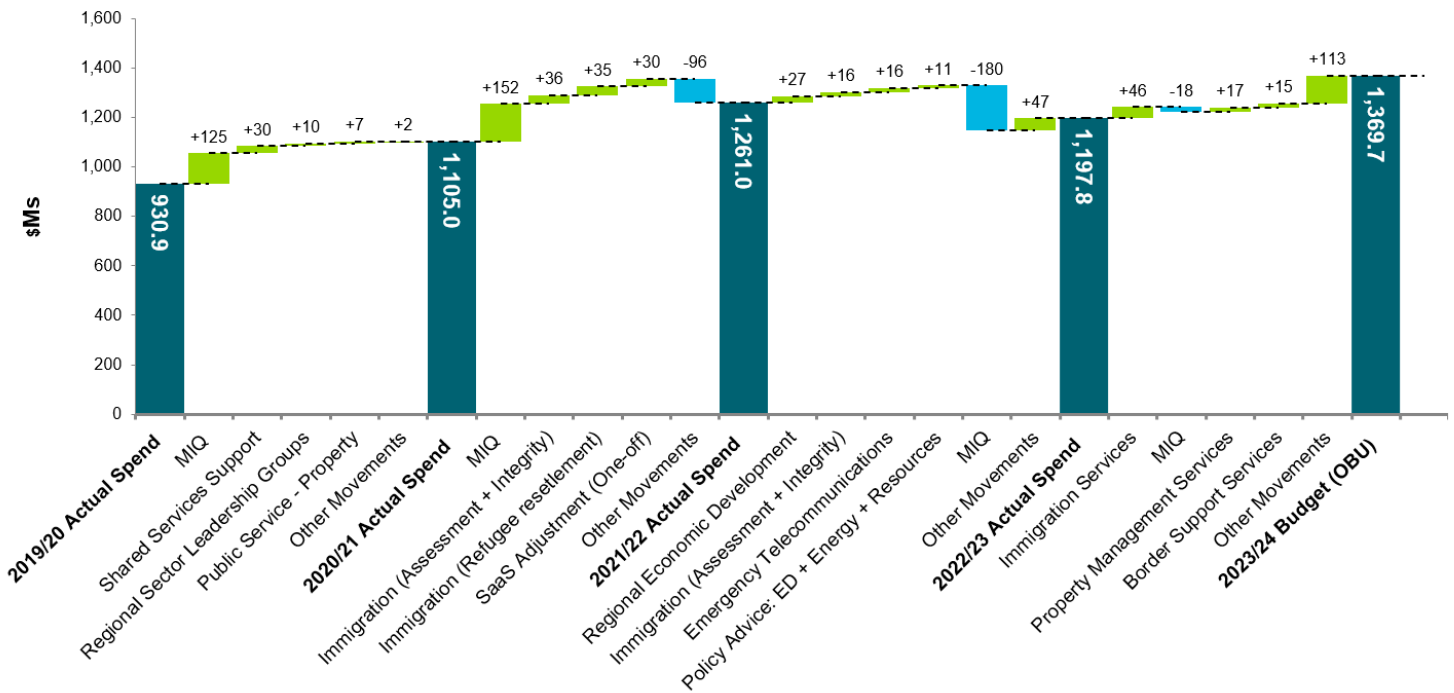
- Small Business Enabling Services: \$14.5 million to accelerate and strengthen Business Connect (a platform for businesses to interact with central and local government), implement invoicing, and other Better for Business initiatives.

**Commercial Information**

- Shared Services provided to other agencies: \$11.8 million to provide back-office services to WorkSafe New Zealand and the Ministry of Housing and Urban Development (\$10 million in 2023/24).
- The Emergency Caller Location Information service, which allows emergency services to locate people calling 111 from their mobile phones, received permanent Crown departmental funding of \$16.1 million per annum in Budget 2020. It had previously been third-party funded via the Telecommunications Development Levy, but with the reduction in amount recovered by that levy, it required permanent Crown funding.
- Increasing demand in management of the Crown Mineral Estate: \$14m in 2023/24 to manage risks in petroleum and mineral permitting, and improved iwi engagement.

18. These key shifts in MBIE’s baseline spend are set out in the following graph:

**Departmental Baseline Actual Spend 2019/29 – 2023/24**



19. Total operating appropriations (departmental and non-departmental) will drop from \$7.4 billion in 2023/24 to \$6.5 billion in 2027/28 and outyears (as per OBU 2023).

20. In 2024/25, MBIE’s departmental baseline funding will drop by around \$195 million mainly due to time-limited funding received for:

- the 2023 North Island Weather Events
- services provided to Customs for border support services in 2023/24
- operational funding to manage regional development initiatives.

## **New functions and initiatives have required additional FTE across MBIE**

21. The three key drivers of the size of MBIE's workforce are:
- The scale and breadth of the government work programme; many of the additional activities above required additional FTEs.
  - Increased demand for services (often paid for through third-party fees). For example:
    - Labour force participation is currently at a record high, meaning greater levels of dispute resolution, labour complaint investigations and employment rights advice.
    - More New Zealanders are living in rental accommodation, which means more demand for support from our tenancy team on rental agreements, bond payments, tenancy dispute resolution services and monitoring and enforcing compliance with the Residential Tenancies Act.
  - The need to respond during times of crisis, including major weather events and earthquakes. These involve significant spikes in FTEs, sometimes with lengthy tails to manage out services (Temporary Accommodation Services, monitoring funds).
22. Growth in work programmes affects not only the business unit tasked with programme delivery but also results in an increased demand from core services including information technology, data insights, legal support etc.
23. As at 30 September 2023, MBIE employs 6,412 FTE across 20 locations, urban and provincial. Approximately 70% of MBIE's people are focused on operations and service delivery.

## **MBIE hosts a range of cross-government functions**

24. MBIE is responsible for a range of government-wide functions. Many of these functions are 'club-funded', which means they are hosted by MBIE and funded by the contributions of a collection of government departments. The most significant functions include:
- New Zealand Government Procurement and Government Property Group, which aims to improve value for money across government.
  - Government Regulatory Practice Initiative (G-REG), which focuses on developing leadership, workforce capability and regulatory practices.
  - Government Centre for Dispute Resolution that supports the design and delivery of appropriate and accessible dispute resolution across sectors.
  - Language Assistance services, which facilitates access to translation services to help clients with limited English access public services and information.
25. In addition to these broad functions that support all-of-government activity, MBIE also hosts a large number of cross-government activities targeted to particular services, including, but not limited to:
- Co-location service provided to other agencies, including the New Zealand Government's Auckland Policy Office, Cashel Street in Christchurch, and Pastoral House in Wellington.
  - ICT services for border agencies to support the New Zealand Traveller Declaration (the digital version of the arrival card).
  - Business Connect, which is a platform where businesses can interact with local and central government regulatory functions, from NZ Customs to liquor licensing.

- The Emergency Caller Location Information service (described in paragraph 17).

## **Fiscal sustainability actions taken to date**

26. MBIE has taken a number of measures in recent times in response to the tight fiscal environment. These include returning savings to the Crown, absorbing new functions without additional funding, and reducing the use of contractors and consultants.

### *Return of savings*

27. In Budget 2023 and the PREFU<sup>4</sup> rapid savings exercise, MBIE returned funding of \$343.78 million from the Tourism and Hospitality; Science, Innovation and Technology; Economic Development; and Energy portfolios.

### *Functions MBIE has undertaken without additional funding (absorbed)*

28. MBIE has absorbed a number of functions in recent years without additional funding. These include:

- The initial costs of the response to the 2023 North Island 2023 Weather Events (\$13 million).
- Supporting the COVID-19 response and recovery, the Royal Commission response, and ongoing implications. Some activities (MIQ) were funded, but many were absorbed. Of these absorbed functions, some aligned with BAU, but work such as essential services and the vaccine strategy required resources to be diverted.
- The Migrant Exploitation Protection Visa holder support package (\$7.7 million).

### *Reducing the use of contractors and consultants*

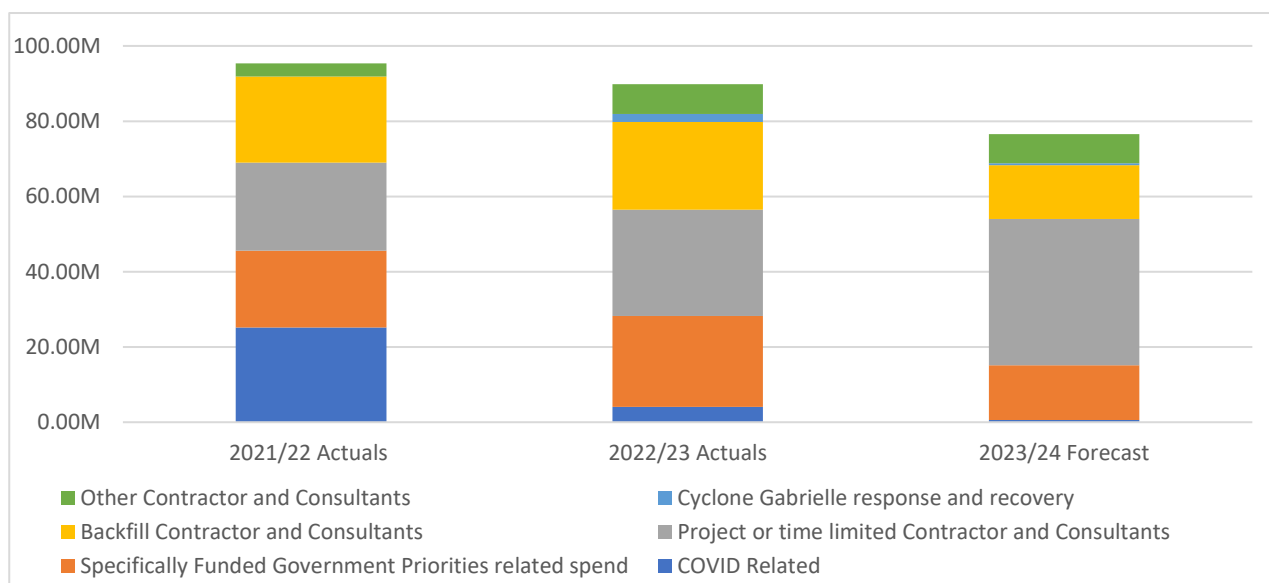
29. MBIE is committed to shifting its workforce mix to reduce spend on contractors and consultants. The contractor headcount has reduced by 27% from 443 in 2021/22 to 348 in 2022/23, following an intense period of delivery due to COVID-19 and other demands (see graph below). MBIE has committed to capping its contractor spend at \$76.554 million for 2023/24, and to paying agreed public sector standard rates for policy contractors.

30. Delivery of data and ICT projects can at times require external specialists. We are working to achieve an employee-to-contractor ratio of 70:30 across all project/specialist resources. There will continue to be a need for some contractor/consultant resource in order to flex to meet project demand and cover specialist requirements. We anticipate the overall cost to MBIE of reducing reliance on contractors in ICT delivery will deliver savings in the order of \$1.7 million in 2023/24 and \$4 million per year ongoing from 2024/25.

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<sup>4</sup> Pre-election Economic and Fiscal Update

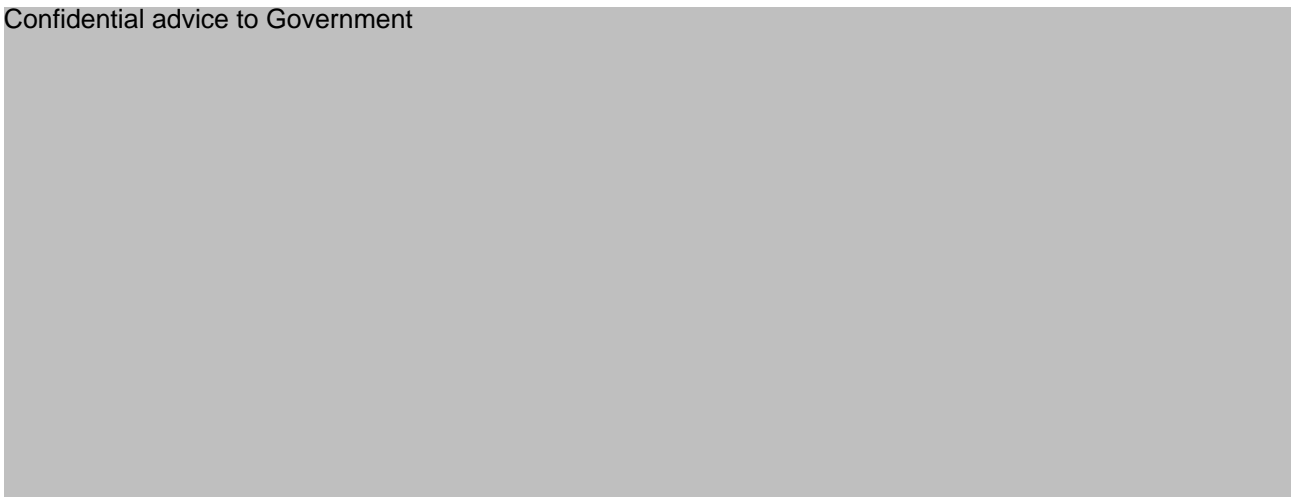
## Change in the use of contractors and consultants since 2021/22



## We have found savings to meet the PREFU fiscal payment, and have identified further reprioritisation options

31. In order to support the Government to achieve its fiscal objectives, MBIE has examined its business activities line-by-line to identify specific savings options.
32. This exercise has included looking at the full spectrum of MBIE's resourcing, including departmental operations and Crown entity funding. We have also considered third-party revenue options, which would see beneficiaries contributing to a greater degree.

Confidential advice to Government



35. These reprioritisation options, Confidential advice to Government, and detailed further in the following sections, involve trade-offs and some substantive changes in service/policy.

Confidential advice to Government

36. We recommend you meet with all MBIE portfolio Ministers to discuss these trade-offs and how best to achieve your respective portfolio priorities as well as overall fiscal objectives.

### **Reprioritisation options from the closure of or substantial changes to specific programmes**

37. The cessation of programmes in response to Government manifesto commitments will result in reprioritisation options of approximately \$272 million over the forecast period. This includes:

- Discontinuing the work on a pumped hydro scheme at Lake Onslow (\$64 million one-off savings).
- Discontinuing Regional Skills Leadership Groups (\$10 million over the forecast period, if some key functions are retained).
- Reversing Fair Pay Agreements legislation and associated operational functions (\$43 million over the forecast period).
- Discontinuing Industry Transformation Plans (\$132 million over the forecast period).


38. We have also identified reprioritisation options through other substantial changes to MBIE programmes, including:

Confidential advice to Government

39. The individual portfolio fiscal briefings provide detailed information about the fiscal options and considerations for each portfolio.
40. There are a set of choices and trade-offs inherent in this reprioritisation which we would like to discuss with you. Confidential advice to Government

**We have taken a cross-MBIE approach to identifying reprioritisation options in some areas**

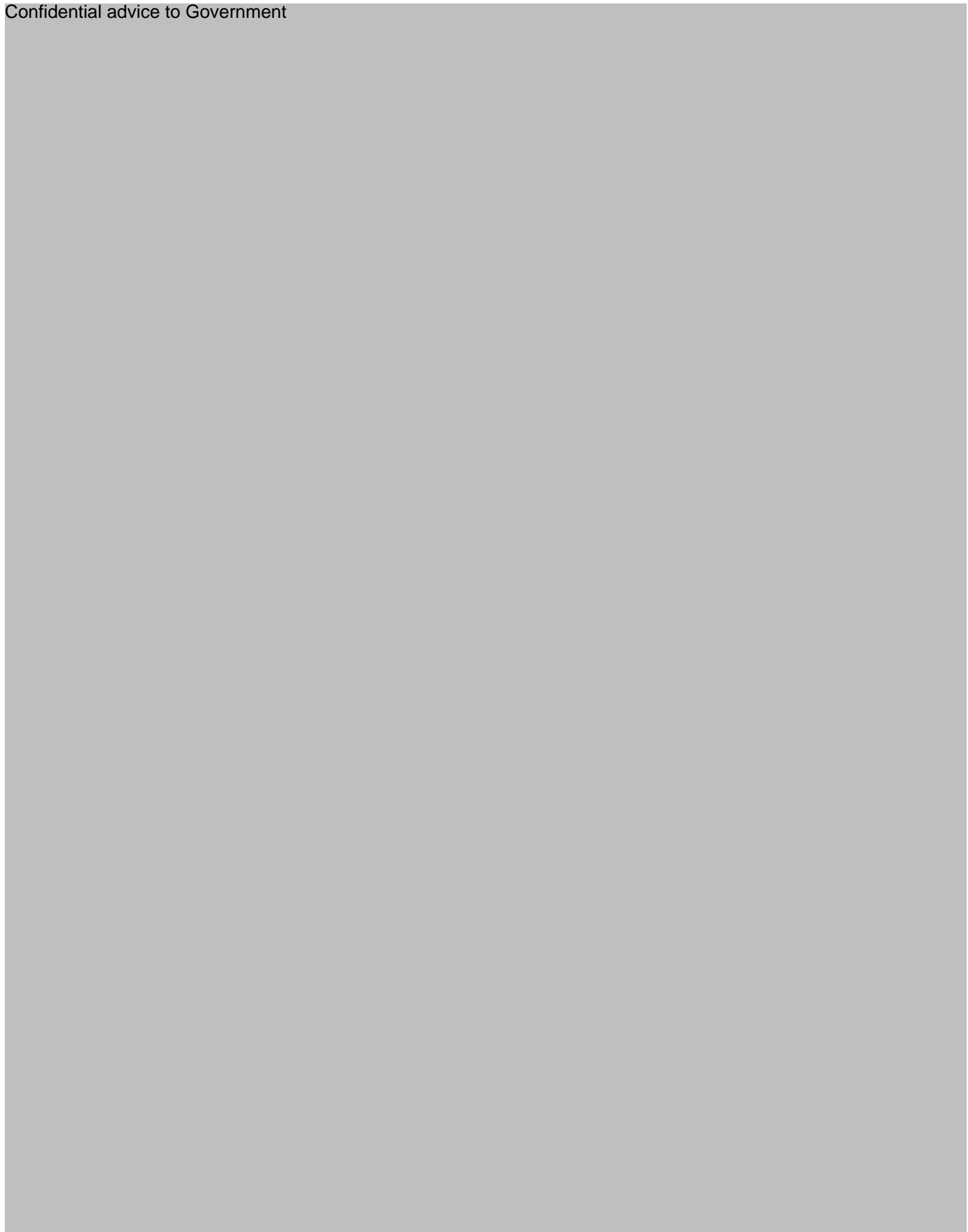
The following three pages are withheld: Confidential advice to Government











68. Further information about these opportunities is provided in the respective portfolio fiscal briefings. Implementation would require changes to legislative frameworks.
69. We would like to discuss these options with relevant portfolio Ministers, and understand whether there are further revenue opportunities that interest you.

### **Additionally, we have identified some system-wide opportunities**

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70. As set out in paragraphs 25 and 26, MBIE hosts a range of cross-government functions and contributes to others. There is potential that, as MBIE and other agencies are undertaking reprioritisation exercises, these 'club-funded' functions are put forward as savings.

### **Strategic opportunities for New Zealand Government Procurement**

73. The New Zealand Government Procurement (NZGP) branch oversees an All-of-Government procurement system, within which agencies make their own purchase decisions.
74. NZGP's most direct levers to give effect to system-wide cost savings are:
  - through the All-of-Government contracts for common goods and services managed by NZGP, including Talent Acquisition services that cover contractors and consultants

- transparency of individual agency spend to drive accountability with Government directions and expectations.

Confidential advice to Government



Commercial Information



## **We are progressing a programme of strategic investment in our digital technologies**

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80. MBIE's Digital, Data and Insights (DDI) function leads delivery and operation of MBIE's technology and data assets. This includes prioritising investment in systems and tools, lifting the cyber security of our ICT infrastructure, and ensuring effective management of data assets, intelligence and knowledge systems.
81. Centralising these functions in early 2022 has given MBIE an opportunity to further enhance its strong track record of delivering efficiencies and improved functionality across operational and regulatory systems, leveraging scale and flexibility of our technical capability.

82. With a centralised group overseeing our core enterprise systems and investments made across MBIE's portfolios, we have:
- begun to simplify and industrialise our core systems, reducing the level of one-off development and configuration required for any given system, and enabling scalability
  - automated processes to better manage volume growth, decoupling the human resource requirement to scale up in support of that growth (and therefore cost)
  - prioritised investment in our digital assets to keep them secure and, with careful life-cycle management, begun transitioning to cloud-based platforms
  - significantly improved our cyber security defences by building a zero-trust ICT architecture and embedding assessment of new software for cyber risk
  - provided higher quality and more consistent outcomes for the New Zealand public using our services.
83. Significant success has been achieved in upgrading many of our operational systems, particularly in the Commerce and Consumer Portfolios. A key example is the ongoing automation of the Companies Office ICT platform, which has contributed significantly to the ease of doing business in New Zealand.
84. There remain several MBIE ICT systems undergoing transformation that we expect to deliver efficiencies and future savings. Some examples are set out below:
- **Tenancy Bond System** – A new tenancy bond platform to transform the 23-year-old operating model from a manual, heavily paper-based system into a sustainable digital operation is underway. The new system will cover the entire tenancy process and includes self-service options for users resulting in faster bond lodgements and refunds. Property management organisations will be able to do bulk lodgements, saving time for customers and MBIE. The system will also include enhancements to improve customer service and business continuity.
  - **MBIE's Service Centre** – Is being upgraded to a cloud-based solution to provide a modern, fit-for-the-future, customer-focused system. MBIE's Service Centre is one of our primary customer communication channels, handling calls and emails for upwards of 30 MBIE business units such as Immigration New Zealand, and external agencies such as WorkSafe.

Confidential advice to Government

86. Progress has been complicated by the pace and number of substantive changes to immigration settings in recent years. As a result, we are currently managing multiple systems and the FTEs required to support that. Consequently, our cost to serve in this area remains high, as total cost is tightly linked to volumes.
87. We are continuing to progress work in these areas to realise efficiencies through strategic investment.

## Next steps

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### *MBIE Ministers group*

88. We want to understand your priorities for MBIE as a whole and support you to deliver them.
89. To support a co-ordinated approach to delivering the Government's outcomes, we recommend that MBIE portfolio Ministers meet as a group to discuss the reprioritisation and revenue options presented in this briefing.
90. Once reprioritisation decisions are made, we will then action these, and right-size our core services and support structures accordingly.

### *Reprioritisation submissions*

91. The Treasury has yet to engage with the Minister of Finance on her preferred approach to reprioritisation. This will need to encompass the Fiscal Sustainability Payment Confidential advice to Government [redacted] as well as broader reprioritisation signalled by the Government.
92. We are seeking direction from portfolio Ministers on which of the reprioritisation options should be included in those submissions, and will provide you with further information on the process as it is developed.

## Annexes

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Annex One: Breakdown of MBIE 2023/24 Departmental budget by Vote

Annex Two: Confidential advice to Government [redacted]

Confidential advice to Government [redacted]

## Annex One: Breakdown of MBIE 2023/24 Departmental budget by Vote

The table below provides a split between the three Votes and 20+ portfolios of MBIE's department and non-department budget for 2023/24 as at OBU 2023, as well as FTE allocations across portfolios by operational and policy roles.

VOTE	PORTFOLIO	Departmental		Non-Departmental		FTE	
		\$000s	%	\$000s	%	Operational	Policy
Business, Science & Innovation	Economic Development	255,953	16.80%	424,294	5.92%	87.9	77.6
	Auckland ‡	-	0.00%	400	0.01%	0.0	5.5
	Commerce and Consumer Affairs	149,017	9.78%	189,318	2.64%	392.9	55.9
	Emergency Management and Recovery	-	0.00%	31,800	0.44%	*	*
	Energy ¶	32,491	2.13%	680,897	9.50%	7	68.4
	Māori Development	-	0.00%	2,850	0.04%	8.6	0.0
	Media and Communications †	52,536	3.45%	264,742	3.69%	44.8	16.3
	Public Service	39,847	2.61%	-	0.00%	10.9	2.0
	Police	1,105	0.07%	14,400	0.20%	*	*
	Regional Development	24,237	1.59%	782,769	10.92%	75.5	6.0
	Resources ¶	38,044	2.50%	104,537	1.46%	66.5	10.0
	Science, Innovation and Technology †	39,735	2.61%	1,901,075	26.52%	62.9	67.7
	Small Business and Manufacturing	20,966	1.38%	19,895	0.28%	57.0	10.0
	Space ‡	-	0.00%	-	0.0%	6.8	10.0
	Sport and Recreation	-	0.00%	20,375	0.28%	*	*
	Tourism and Hospitality	19,781	1.30%	233,375	3.26%	12.9	27.5
Labour Market	ACC	2,366	0.16%	2,219,820	30.96%	0.0	5.0
	Health ¶	21,151	1.39%	150	0.00%	*	*
	Immigration	578,303	37.96%	-	0.00%	2821.4	39.0
	Social Development and Employment	20,607	1.35%	-	0.00%	41.1	32.9
	Workplace Relations and Safety	74,772	4.91%	150,849	2.10%	293.4	39.3
Building & Construction	Building and Construction	86,751	5.69%	21,632	0.30%	178.5	54.4
	Housing	65,924	4.32%	106,483	1.48%	271.4	15.9
Other	Multiple	-	-	-	-	41.3	7.0
TOTAL		\$1,523,586		\$7,169,661		4480.8	550.4

FTE assigned across enabling functions (e.g. finance, legal, personnel, ICT, etc) and across multiple portfolios 1,381.2

**Total FTE** **6,412.4**

All numbers are represented as FTE. Data is at 30 September 2023.

\* FTE figures for these portfolios are counted within the multiple portfolio and enabling functions.

‡ The Auckland portfolio is supported through \$1 million departmental under the Economic Development portfolio. Space is also funded through the Economic Development portfolio.

¶ The Energy and Resources portfolios have been supported by a single MBIE branch. Approximately 13% of policy advice funding under Energy relates to the Resources portfolio.

† Due to changes between portfolios approximately 24% of policy advice funding under Media and Communications relates to the technology portion of Science, Innovation and Technology.

¶ The \$150,000 of non-departmental funding under the Health portfolio relates to Vote Building & Construction.









