

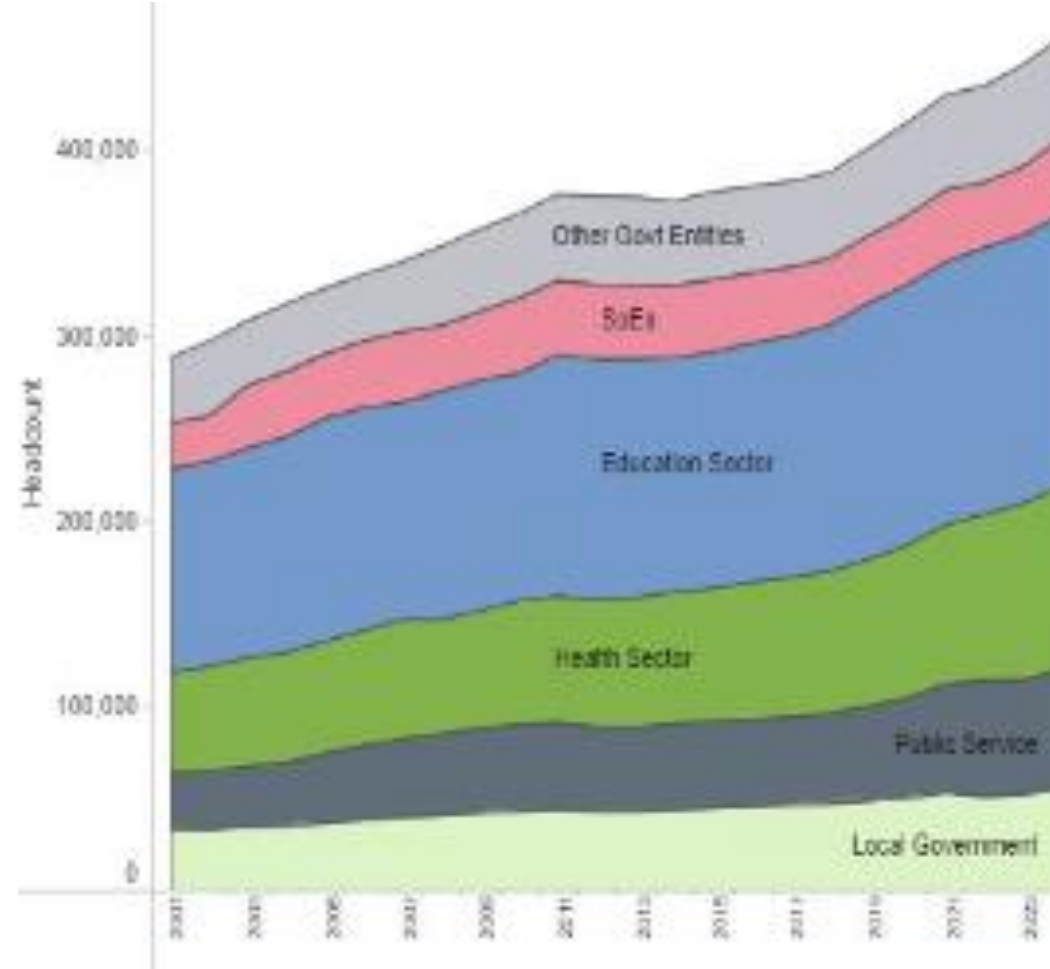
Multi Sector workforce - Organisation of public service

- The New Zealand Public Service is:
 - Highly devolved – each chief executive is the employer of staff at that agency
 - Subject to general employment law
 - Departments and chief executives within the Public Service are directly employed and accountable to the Public Service Commissioner, but work directly to a portfolio Minister.
- There is no centralised employment, no common terms and conditions, no single payroll.
- Entry to the workforce is also devolved – there is no general barriers of movement into or between public and private sector. Movement between agencies is by choice and selection through open processes
- Commissioner's role includes:
 - Working with public service leaders to develop a highly capable workforce that reflects the diversity of the society it serves and to ensure fair and equitable employment,
 - Act as the employer of public service chief executives
 - The Public Service Commissioner sets the performance expectations for all Public Service Chief Executives, with input from the responsible Minister on key priorities and expectations.

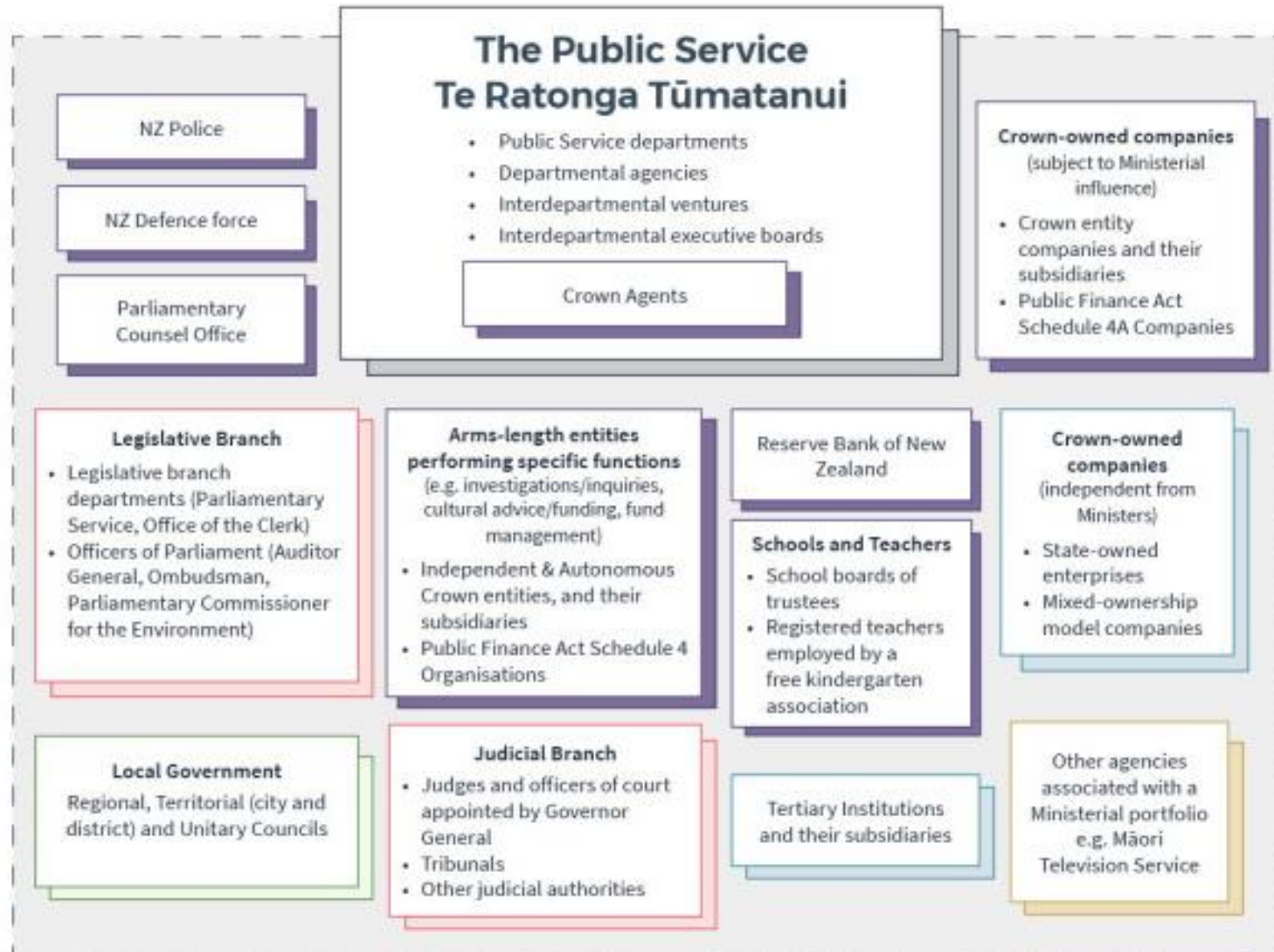


Multi-Sector Workforce



- 2023 Public sector employed 462,300 (headcount)
- Comprises 18.8% NZ total workforce 2,464,300
- Public Service 63,117 (FTEs)
 - 31 Departments
 - 7 Departmental Agencies



The Public Sector | Te Rāngai Tūmatanui



 Core Executive branch agencies delivering policy advice, regulation, government services, funding and commissioning. Public Service Commissioner holds employment relationship with chief executives and manages performance (except in the case of Crown agents).

 +  Agencies subject to some level of Ministerial direction or influence. Public Service Commissioner has roles relating to promotion of integrity, terms and conditions of chief executives, investigations and inquiries, and workforce policy (note that role varies depending on agency type).

 +  +  +  Parts of central government, included in government financial statements. Public Service Commissioner role (e.g. in appointment processes or standards of conduct) depends on specific entity legislation.

 +  Public sector entities separate from central government.

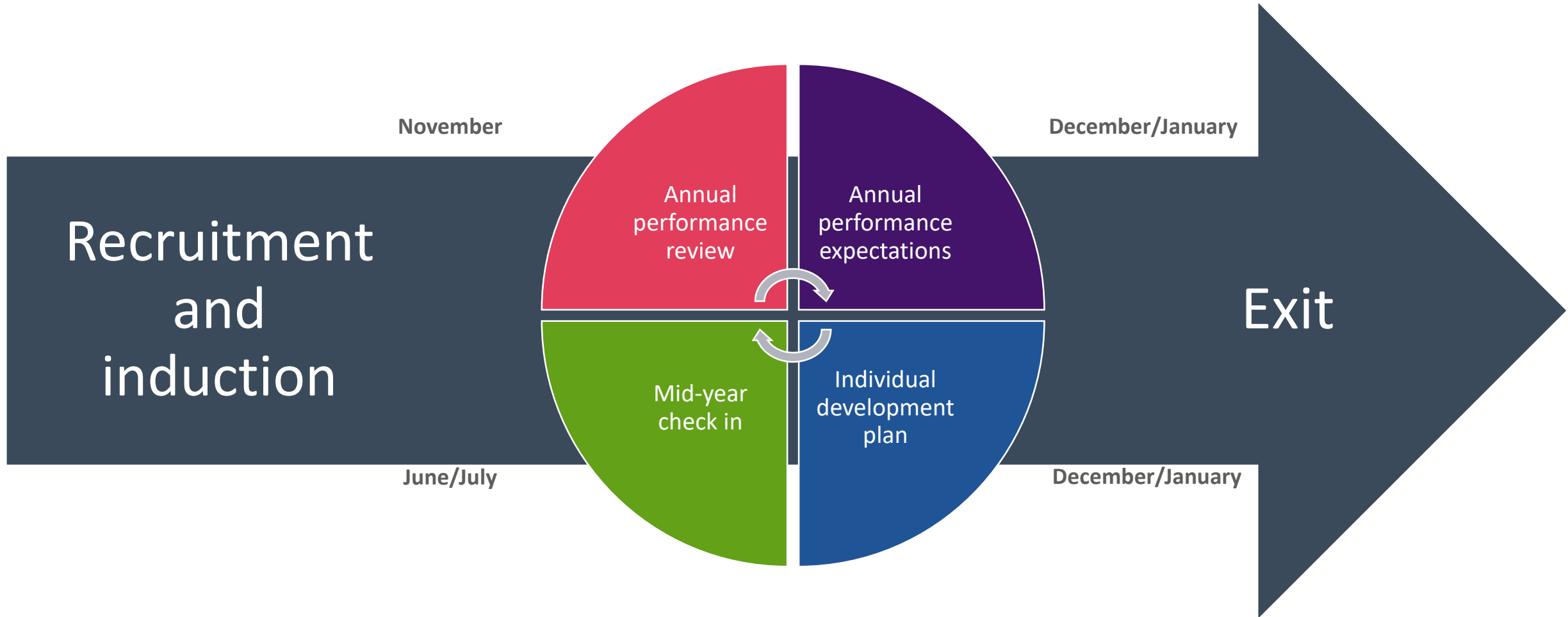


Review mechanisms to improve Government Performance

- Central agencies (Public Service Commission, Department of Prime Minister and Cabinet and the Treasury) regularly connect and engage on the effectiveness and performance of departments.
- There are other agencies within our system that have a role in driving accountability and performance of departments, such as the Office of the Auditor General which is accountable to Parliament for the use of public resources.
- The Commission does not have a direct role in setting performance expectations for arms length bodies, such as Crown entities. Chief executive performance is managed by Crown entity boards.



NZ Public Service Chief executive performance cycle



The Use of Contract Workers in the Government

- NZ Government Procurement is led by the Ministry of Business, Innovation and Employment.
- It produces procurement principles and rules which may be useful www.procurement.govt.nz.
- This includes already vetted panel suppliers.
- MBIE have also trialled some voluntary work on standard rates of pay for the Policy profession



Machinery of Government changes

- Government priorities can create need for new agencies or transfer functions between existing agencies
- If a Public Service Department is created, delegations to Chief Executive regarding workforce decisions
- Transfer of people under Public Service Act 2020 legislation - provides protection continuity of employment



Pay setting in NZ Public Service

- There is no prescribed remuneration model or pay scale
- Each agency has own pay structure and independently (with unions) makes its own decisions on:
 - Salary range for the role
 - Progression through salary range
 - Allowances etc
- Pay adjustments through collective bargaining and/or annual remuneration round



Pay setting - advice

- Alignment with Government's expectations
- Underpinned by system-wide data and reporting to Ministers
- Support agencies in addressing pay gaps and equity



Bonus or performance links to pay

- Remuneration systems are not uniform – mix of tenure-based progression and performance related pay
- Bonuses are not common
- Chief executives and senior leaders more likely to have a link between performance and pay



Retirement system

- There is no single retirement scheme that is exclusive to the Public Service
- In the past we had exclusive schemes for public servants, but they have been removed
- Public servants can join the overall retirement scheme for all New Zealanders (Kiwisaver)
- There is no compulsory retirement age



Other welfare benefits

- Typically most departments provide 15 days' paid sick leave per year
- This usually includes time off to look after dependents that are sick
- Wellbeing allowances are becoming more common - adjusted through union bargaining
- Private healthcare organisation provides discounted rate for public sector workers



The Use of Emerging Technologies and Personnel Data Analysis in Public Sector HR

- Because we are devolved, there is no centralised approach to the management of technology and data for HR systems.
- We are improving our data analysis – but are reliant on information provided by agencies.

