I am pleased to present my first annual report as Chief Executive of the Department of Internal Affairs. I took up the post near the end of the year under review and would like to acknowledge the contribution my two predecessors Peter Hughes and Katrina Bach have made to the excellent results.

The report shows how the Department is moving towards a stronger emphasis on high quality client service. This is reflected in the over 90 percent achievement of service performance measures. This is a superb effort and represents a considerable improvement in performance over previous years.

During the year the Department progressed work on three significant pieces of legislation, the Local Government Bill, Responsible Gambling Bill and Civil Defence Emergency Management Bill. These will be an important part of our work over the next year as we move on to the implementation phase once they are enacted.

The Department will be undertaking a number of other key initiatives during the 2002/03 year. These will be directed to the achievement of the outcomes set out in the Department’s 2002/03 Statement of Intent. Our focus will shift towards developing connections between business groups and the wider public sector to support and improve our levels of service.

Further refinement of our direction and approach will continue in the coming year as we build on the successes of the year in review.

Christopher Blake, Chief Executive.
continued to be one of the world’s leading agencies in detecting, monitoring and prosecuting offenders who possess and distribute objectionable material

completed a comprehensive review of local government legislation and introduced new legislation

the Responsible Gambling Bill was introduced into Parliament and provides objectives and principles for government intervention in the gaming sector

completed the conversion to an electronic format of 10 million birth, death and marriage records dating back to the early 1840s

successfully managed the visit of Her Majesty The Queen

developed a framework to incorporate ethnic perspectives into government policy and services

provided funding and support to the newly established volunteering national body, Volunteering New Zealand

began the development of the National Crisis Management Centre in the Beehive basement

introduced gaming e-licensing - an electronic application system for gaming societies to renew or amend their licences

achieved 95% of all performance measures (excluding demand-driven measures)

no over-expenditure of any output class from departmental revenue totalling $114.3 million (57% third party and 43% Crown and other).
The Department of Internal Affairs – Te Tari Taiwhenua, traces its history back to the structures put in place immediately after the signing of the Treaty of Waitangi. It is the oldest government department and has a broad range of functions.

The Department is headed by the Chief Executive, who is the Secretary for Internal Affairs, the Secretary for Local Government and the Secretary for Civil Defence.

In 2002 the Department:

- numbered 942 full time equivalent staff in 17 locations throughout New Zealand, plus small offices in Sydney and London
- reported to five Ministers covering seven ministerial portfolios and responsibility areas
- had the responsibility to monitor the performance of five Crown entities, and work with a number of other statutory bodies, trusts, commissions and fellowships
- had departmental revenues of $114 million from both Crown and external sources (see Part 4)
- administered 97 pieces of legislation (see Part 5).
business groups and services
The Community Development Group (CDG) promotes the building of strong communities through the provision of policy advice to government, development services to local communities and administration of a range of community grant schemes.

The group administers a range of grants on behalf of government and also provides administrative support to the Lottery Grants Board. CDG processes almost 10,000 applications each year and distributes over $100 million of Lottery grants, trusts and fellowship grants. Grant application services are increasingly provided on-line.

In 17 offices throughout New Zealand CDG provides services directly to local communities. Nearly half of the regional staff are Māori or Pacific people, which enables the Department to work credibly and effectively with many disadvantaged communities.

Regional teams work directly with groups in the community providing information, development assistance and resources. In the last year we worked with almost 1,000 community groups across the country.

The regional network ensures that community policy advice is informed and tested by community views and that grant funding is applied to areas of greatest need, in partnership with reliable, well-run community groups.

The policy team provides high quality advice to the Minister Responsible for the Community and Voluntary Sector.

CDG staff work closely with other government organisations and local authorities at both national and local levels to ensure that government support for communities is delivered in a co-ordinated manner to best meet their needs.

The Department supports the community through the provision of CommunityNet Aotearoa, a website focusing on the information needs of the community and voluntary sector.
Ministerial Services not only houses Ministers, but also provides them with all the administration, personnel and advisory support needed to run their offices.

The VIP Transport Service provides a chauffeur-driven service and a fleet of self-drive cars primarily for use by Ministers. The team of chauffeurs covers almost one million kilometres each year.

The Media and Communications team provides Ministers and their staff with media monitoring, communications and information technology services.

The Visits and Ceremonial Office co-ordinates visits of government guests, state and ministerial functions and commemorative events. The Office also takes responsibility for congratulatory messages, sent to more than 700 New Zealanders who enjoy milestones like golden and diamond wedding anniversaries and 100th birthdays.

EGS also provides administrative support to Commissions and Royal Commissions of Inquiry when these occur.

The services of EGS are not for Ministers alone and small teams of specialists provide services for all New Zealanders.

The Translation Service offers translation services in over 70 languages from Māori and French to less familiar languages such as Gujarati, Marathi, Tagalog and Uzbek.

The Authentications Unit validates New Zealand issued documents for people who need to provide them to an overseas source.

The New Zealand Gazette Office publishes the official newspaper of the government, the New Zealand Gazette. EGS also manages the government service listings on the blue pages of all the country’s telephone books.
The Gaming and Censorship Regulation Group ensures gaming is fair, honest and lawful and that censorship laws are upheld, including prohibiting the possession and supply of objectionable material and regulating display of restricted publications.

Based in Auckland, Wellington and Christchurch, the Gaming Compliance team audits gaming machine societies each year and also monitors compliance with the licence conditions with particular focus on site payments and the grants process. The team also has an educative role, and runs advisory clinics and site visits.

The Gaming Licensing team, based in Wellington, has responsibility for contributing to gaming policy, developing licence conditions, issuing non-casino gaming licences and licensing casino employees. The team issues more than 4,000 licences a year for new, amended and renewed licences for gaming machines, housie, raffles, prize competitions and any other games of chance.

Casino Inspectors are located in each of the country’s five casinos and will also be based in the Hamilton Casino once this opens later in 2002. The unit utilises a risk-based audit programme relating to patron complaints, cheating incidents, under-age gambling, breaches by the operator and investigations into the ongoing suitability of Certificate of Approval holders.

The work of the Censorship team is recognised as world leading with a focus on finding and taking action against people who trade in objectionable material, particularly child pornography. The Censorship team conducts more than 2,500 inspections and investigations a year, which can lead to prosecutions for offences under the Films Videos and Publications Classification Act 1993.
The Identity Services Group is the primary source of information on personal identity and key life events. It registers birth, death and marriage details, provides access to these records, issues passports and manages applications for New Zealand citizenship.

Identity Services has more than 300 dedicated staff in four locations in New Zealand, with small teams in Sydney and London. In most circumstances the community’s interface with Identity Services occurs through the customer service team - through the more than half a million phone calls received each year, the 25,000 email enquiries, the forms and applications received in the mail or downloaded from the Department’s website or by visiting one of the Department’s offices.

The passports team is the largest team, issuing approximately 1,300 passports a day to New Zealanders. Passports are issued within 10 working days of receiving the application. When a passport is needed more quickly, we have a small team dedicated to issuing a passport within three days.

The Births, Deaths and Marriages team registers the more than 100,000 births, deaths and marriages that occur each year and maintains the registers of those New Zealanders who change their name, and of marriage celebrants. Births, Deaths and Marriages provides access to these records through the more than 225,000 certificates issued each year from records maintained since 1848.

The citizenship team processes applications for New Zealand citizenship and keeps the record of those granted citizenship. This team arranges for new citizens to attend ceremonies where citizenship is conferred and new citizens are welcomed to New Zealand. It also registers the citizenship of children born to New Zealanders overseas, and can provide confirmation of citizenship to any New Zealand citizen who requires it.
New Zealand is a hazardous place to live. Its landforms have been moulded by the combined effects of earthquakes, floods and volcanoes. Inevitably, the communities in which we live are vulnerable to hazards which can result in disasters.

The Ministry of Civil Defence and Emergency Management was formed to define and implement arrangements to address explicitly the hazards and vulnerabilities in our communities, and to prepare for and manage the impacts of emergencies.

The team is located in Wellington, Christchurch and Auckland. Staff are responsible for policy advice to the Minister of Civil Defence, liaising with and providing advice and support to the civil defence emergency management sector, and managing and co-ordinating the central government response to emergencies.

The Ministry’s vision is ‘Resilient New Zealand - strong communities, understanding and managing their hazards’. The vision will be achieved through implementation of the new civil defence emergency management arrangements, embodied in the Civil Defence Emergency Management Bill currently before Parliament. The arrangements provide for the integration of local authorities and response agencies into regional groupings for emergency planning purposes, and require key agencies and utilities to be capable during and after events.

The new approach depends for its success on shared commitment to the effective management of hazards and disasters. The Ministry plays a key role in developing that commitment, and in building New Zealand’s resilience to disasters.
The Office of Ethnic Affairs creates a climate in which people from ethnic communities can fully participate in and contribute to all aspects of New Zealand life.

The Office of Ethnic Affairs works with people whose culture and traditions distinguish them from the majority of New Zealanders. Māori and Pacific people usually work through Te Puni Kokiri or the Ministry of Pacific Island Affairs. The Office helps ethnic people to be seen, heard, included and accepted by:

- advising government about issues affecting ethnic people
- being a point of contact between government and ethnic people
- offering an information service for ethnic communities and individuals
- promoting inter-cultural awareness in New Zealand.

The Office works with all ethnic people, be they migrants, refugees, long-term settlers, or New Zealand-born generations who identify with their ethnic heritage. There is also a close working relationship with ethnic community organisations, central government agencies, local authorities, community organisations, service providers, multicultural and migrant and refugee centres.

There are two, soon to be three, Community Advisors in Auckland, one in Wellington and an Advisor to be based in Christchurch. A small policy team and a special project team for the Chinese reconciliation process are based in Wellington.

The Office of Ethnic Affairs is an energetic, practical and committed team. The Office sees itself as a catalyst for change.
The Policy Group provides policy advice to the Ministers of Internal Affairs, Local Government and Racing.

The Policy Group is organised into four policy teams, Local Government, Gaming Censorship and Racing, Fire Building and Identity, and Strategy and Performance along with a Local Government services team.

Work ranges from undertaking major policy reviews - such as the Gaming Review covering the role of gaming in society, options for a regulatory framework, and the management of problem gambling - to servicing Ministers on a day-to-day basis, for example, drafting approximately 1,500 replies to items of correspondence Ministers receive each year from members of the public and interest groups.

The Policy Group also monitors the performance of five Crown entities and provides administrative support to Ministers on appointments to various statutory bodies and trusts (see page 27).

The local government policy team undertakes major policy reviews, administers and provides advice to government and the public on a range of local government related legislation. The local government services unit provides a number of operational services including: servicing the Local Government Commission; the harbormaster function for Lake Taupo; local government functions for off-shore islands not in a territorial authority district, and administration of the rates rebates scheme.

Although based in Wellington, the Policy Group has a wide engagement with the public, interest groups, agencies and organisations in the development of our policy advice.
The Finance and Performance group provides corporate-wide financial, planning and reporting services. This includes traditional accounting services as well as strategic financial planning analysis and advice.

This group also has the role of facilitating the planning and reporting processes of the Department and ensures that accountability requirements to Parliament are met.

**Capability and Communications** is responsible for providing strategic and professional leadership within the Department across the functional roles of human resources, effectiveness for Māori and communications. This includes the important function of ensuring staff are paid.

The role of **Information and Facilities** is to provide a stable platform now and in the future, on which the Department’s operational and support groups can confidently rely to deliver governmental and departmental outcomes. It also assists in developing the information management and technology capability of the Department’s staff.

The functions of **Information and Facilities** include property management and national office facilities management. A team of IT professionals supports the technology infrastructure and develops the Department’s IT strategy.

**Strategic Support** has a dual role in providing advice and assistance to business groups and providing advice to the Chief Executive on governance issues and co-ordination of Department-wide issues. The group includes legal, research, risk and audit services.

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**Corporate Services** comprise four business groups that support the operational business groups through the provision of infrastructure and capability services.
In the 2000/01 year, the Department introduced Work Place Principles. These values have continued to form the basis for the development of a range of human resource policies in 2001/02. All of these policies are designed to create a working environment that will attract, develop and retain the people the Department needs (see page 57).

Number of full time equivalents in each business group at 30 June 2002

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Permanent</th>
<th>Temporary</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Group</td>
<td>134</td>
<td>11</td>
<td>145</td>
</tr>
<tr>
<td>Executive Government Services</td>
<td>99</td>
<td>123</td>
<td>222</td>
</tr>
<tr>
<td>Gaming and Censorship Regulation</td>
<td>82</td>
<td>3</td>
<td>85</td>
</tr>
<tr>
<td>Identity Services</td>
<td>290</td>
<td>17</td>
<td>307</td>
</tr>
<tr>
<td>Ministry of Civil Defence and Emergency Management</td>
<td>25</td>
<td>1</td>
<td>26</td>
</tr>
<tr>
<td>Office of Ethnic Affairs</td>
<td>7</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Policy</td>
<td>52</td>
<td>5</td>
<td>57</td>
</tr>
<tr>
<td>Finance and Performance</td>
<td>20</td>
<td>0</td>
<td>20</td>
</tr>
<tr>
<td>Information and Facilities</td>
<td>39</td>
<td>2</td>
<td>41</td>
</tr>
<tr>
<td>Capability and Communications</td>
<td>14</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Strategic Support</td>
<td>17</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>779</td>
<td>163</td>
<td>942</td>
</tr>
</tbody>
</table>


**Ethnicity**

The Department employs a diverse range of people across its business groups. Currently 28 percent are from non-European backgrounds. The current mix within the Department has a strong correlation to the mix of the population as a whole.

A significant contributor to the changes that appear between the years is the improvement in the recording of ethnicity data.

**Staff by gender**

The proportion of female and male employees in the Department has remained fairly static over the past three years with 55 percent female and 45 percent male staff. Graph of chart representing female staff 542 and male staff 447.

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<table>
<thead>
<tr>
<th>Total Renumeration Range</th>
<th>Number of Employees (30 June 2002)</th>
<th>Number of Employees (30 June 2001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000 - $19,999</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>$20,000 - $29,999</td>
<td>92</td>
<td>147</td>
</tr>
<tr>
<td>$30,000 - $39,999</td>
<td>289</td>
<td>314</td>
</tr>
<tr>
<td>$40,000 - $49,999</td>
<td>276</td>
<td>225</td>
</tr>
<tr>
<td>$50,000 - $59,999</td>
<td>109</td>
<td>81</td>
</tr>
<tr>
<td>$60,000 - $69,999</td>
<td>88</td>
<td>73</td>
</tr>
<tr>
<td>$70,000 - $79,999</td>
<td>66</td>
<td>60</td>
</tr>
<tr>
<td>$80,000 - $89,999</td>
<td>30</td>
<td>21</td>
</tr>
<tr>
<td>$90,000 - $99,999</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>$100,000 +</td>
<td>24</td>
<td>17</td>
</tr>
</tbody>
</table>

**Total renumeration ranges as at 30 June 2002**

The Department of Internal Affairs spent $54.4 million on personnel in 2001/02. The renumeration ranges have moved up from 2000/01. Much of the variance can be attributed to the Department’s new remuneration system that brought salaries into line with the public sector median.

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1 Includes staff located in Sydney and London whose salaries have been converted to New Zealand dollars.
**Effectiveness for Māori**

As at June 2002, 14.4 percent (142) of all departmental employees that provided ethnicity information were Māori. This result shows the Department is on track to achieve its EEO strategy goal of 16 percent Māori staff by 2005.

*Picture Right: Children taking part in the Department’s school holiday programme enjoy an outdoor trip. The Department established a school holiday programme to assist staff with school aged children.*
During the year to 30 June 2002, the Department was responsible to five ministers administering six Votes. The Minister of Internal Affairs was the responsible minister for the Department.

Votes administered by the Department and the responsible ministers were:

<table>
<thead>
<tr>
<th>Vote Community and Voluntary Sector</th>
<th>Minister responsible for the Community and Voluntary Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hon Steve Maharey</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Emergency Management</th>
<th>Minister of Civil Defence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hon George Hawkins</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Internal Affairs</th>
<th>Minister of Internal Affairs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minister for Ethnic Affairs</td>
</tr>
<tr>
<td></td>
<td>Hon George Hawkins</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Local Government</th>
<th>Minister of Local Government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hon Sandra Lee</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Ministerial Services</th>
<th>Minister Responsible for Ministerial Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rt. Hon Helen Clark</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vote Racing</th>
<th>Minister for Racing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hon Annette King</td>
</tr>
</tbody>
</table>
In 2001/02 the Department monitored the performance of five Crown entities under the Internal Affairs portfolio and worked with several statutory bodies and trusts.

The Department monitors Crown entities according to a governance framework including: roles and responsibilities; guidance on monitoring, reporting and assessing Crown entity performance and guidance on appointments to boards.

The Department has an association with, and varying responsibilities for, a number of statutory bodies and trusts. This work includes providing policy advice and administrative support to the Ministers of Internal Affairs, Local Government, Racing, Finance and Disarmament and Arms Control, and to the Minister responsible for the Community and Voluntary Sector on appointments to these bodies and trusts. The Department also manages the appointment processes for these statutory bodies, trusts and committees.
### Minister Responsible for Community and Voluntary Sector

**Statutory bodies and trusts**
- New Zealand Lottery Grants Board
- Norman Kirk Memorial Trust
- Winston Churchill Memorial Trust

### Minister of Local Government

**Statutory body**
- Local Government Commission

### Minister For Racing

**Statutory bodies**
- Racing Industry Board
- Totalisator Agency Board

### Minister of Finance

**Trusts**
- Community Trusts (12)

### Minister for Disarmament and Arms Control

**Trusts**
- Peace and Disarmament Education Trust
- Pacific Development and Conservation Trust