



# Institutional form

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- Independent Crown Entity:
  - Established 2011 under Act of Parliament
  - Own budget appropriation (NZ\$5m pa)
  - 15-20 staff, plus short-term contractors and consultants with specialist expertise
  - Overseen and governed by 3 part time Commissioners
  - Meet all standard public sector reporting and accountability & audit requirements
  - Minister of Finance is the “ownership Minister”

# The Commission's purpose

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The Commission's purpose as specified in establishing Act:

“... to provide advice to the Government on improving productivity in a way that is directed to supporting the overall well-being of New Zealanders, having regard to a wide range of communities of interest and population groups in New Zealand society.”

# Functions and activities

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## Commission's functions

- Conduct inquiries and report on productivity-related matters, on referral from responsible Ministers
- Undertake and publish research about productivity-related matters
- Promote public understanding of productivity-related matters

## Independence

- Founding statute requires that Commission must act independently

# Inquiries

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- Topics determined by “referring Ministers”
  - Cabinet Ministers, government departments and agencies and, occasionally, opposition political parties and the general public, asked for suggestions for new topics
  - Commission must be consulted on Terms of Reference (ToR) before finalised
  - Commission asked to propose topics
  - Two inquiries running in parallel, each taking 12 to 15 months to complete

# Inquiries – the process

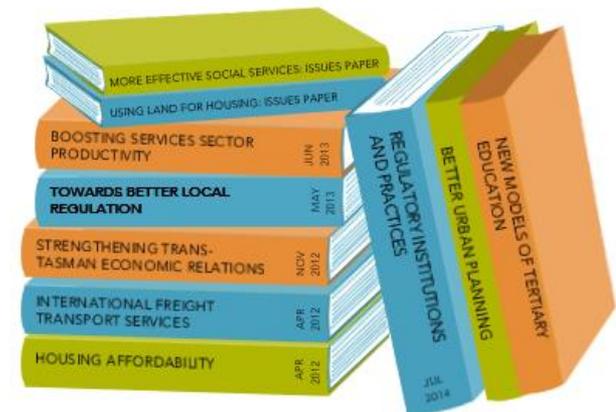
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- Standard sequence
  - Issues paper at 6–8 weeks after receipt of ToR with call for submissions
  - Draft report at 8–9 months, with call for submissions
  - All submissions published on Commission web site
  - Final report at 12–15 months handed to referring Ministers
  - Report required to be tabled in the Parliament  
“as soon as practicable”
  - No formal obligation on Ministers to respond
  - Reports generally receive a formal government response specifically addressing each recommendation

# Inquiries- topics to date

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- Housing Affordability
- International Freight Transport Services
- Local Government Regulatory Performance
- Trans-Tasman Closer Economic Relations – Joint with APC
- Boosting Services Sector Productivity
- Regulatory Institutions and Practice
- More Effective Social Services
- Using Land for Housing
- New Models of Tertiary Education
- Better Urban Planning



# Inquiries – current topics

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- Transitioning to a low emissions economy
- State sector productivity



# Research function

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- Funding comes in 2 “buckets” - 87.5% inquiries, 12.5% research
- Limited capacity drives outreach to other interested agencies – a positive factor
- Created and support NZ Productivity Hub – engaging key agencies eg, Treasury, MBIE, Statistics NZ in collaborative research built on agreed priorities
- Extensive firm level database allows new insights
- Creating a NZ productivity narrative

# Lessons to date

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- Continued flow of substantial inquiry topics essential
- Commitment to a high engagement/high consultation approach builds credibility, trust and influence
- Commitment to transparency is very powerful eg, publishing submissions & draft reports, extensive stakeholder engagement
- Being independent and a step removed from the political process is essential
  - Discuss topics that core government agencies cannot
  - Different conversations, not obliged to defend current policy
  - Reshape the public debate in key/sensitive areas

# Lessons to date - continued

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- The capacity of core agencies to respond to our work is limited – our current output is probably as much as the system can cope with
- We need new ways to communicate our work to the wider public – traditional approaches via traditional media increasingly limited
- Continued support for inquiries after completion is a challenge as our people and their attention move to the next topics
- Tying our inquiry work to our self-initiated research is a work in progress. Each should inform and help shape the other.
- Measuring and monitoring the impact of our work is challenging –another work in progress.

# Questions and comments

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Thank you for your time

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