

28 April 2010

## Integration

Tēnā tātou kātoa

We have listened carefully, and will continue to listen, to what is being said by users and stakeholders about the planned integration of the National Library and Archives New Zealand into the Department of Internal Affairs. The importance of these agencies is underscored by the strength of support for them as enduring cultural institutions.

Our clear understanding of the Government's intent is that it wants to:

- improve services,
- maintain statutory independence of the National Librarian and the Chief Archivist as exists now,
- maintain the statutory provisions for the Alexander Turnbull Library including the role of the Chief Librarian as they exist now, and
- strengthen the enduring cultural institutions of Archives New Zealand and the National Library and ensure they are in the strongest position to use changing technology to serve today's users, and the generations to come.

Our efforts are directed towards supporting this intent. The services we provide today will be better tomorrow.

We will continue to seek input from stakeholders and intend to do so face-to-face as much as possible. Our responses to issues raised so far follow. We welcome further contact from you as the integration progresses. You can contact us in the usual way, or through the email [integration@dia.govt.nz](mailto:integration@dia.govt.nz). A website is being established: [www.integration.dia.govt.nz](http://www.integration.dia.govt.nz) to hold information on the process in one place. We hope you find the information we provide useful, and look forward to hearing more from you.

Nā mātou, nā



**Penny Carnaby**

Chief Executive of the National Library of New Zealand Te Puna Mātauranga  
National Librarian



**Greg Goulding**

Acting Chief Executive of Archives New Zealand Te Rua Mahara o te Kāwanatanga  
Chief Archivist



**Brendan Boyle**

Chief Executive of the Department of Internal Affairs Te Tari Taiwhenua  
Secretary for Internal Affairs

Information from the Chief Executives of National Library of New Zealand, Archives New Zealand and the Department of Internal Affairs on the integration of their Departments.

---

April 2010

## Contents

|                        |    |
|------------------------|----|
| Statutory officers     | p2 |
| Consultation           | p3 |
| 'Tiers'                | p4 |
| Impact on operations   | p4 |
| Savings                | p5 |
| Protecting budgets     | p5 |
| Intervention logic     | p6 |
| Freedom of information | p6 |

---

## Statutory officers

---

### Summary

There will be no change in the standing or functions of statutory officers.

### Issues raised

*The Chief Archivist and the National Librarian are statutory officers. Concern has been expressed that such officers should not be employees of a Chief Executive, but must be completely independent. It is argued that the changes announced by the Government will lead to a reduction in necessary independence, and make the Chief Archivist and National Librarian subject to undue influence. It is argued that the positions are similar to that of the auditor-general or the ombudsman, and should be treated in the same way.*

### Response

The Chief Archivist and National Librarian are statutory officers, but not officers of parliament, as are the Auditor-General and the Ombudsman. At present, they are employees of the State Services Commissioner. Under the Government decision to integrate, it is very likely that the Chief Executive of the Department of Internal Affairs will appoint people to these positions. The Chief Executive would be the employer, rather than the State Services Commissioner, in the same way that the Chief Executive would be the employer of all staff in the new Department.

The Chief Archivist and the National Librarian will act independently, and not be subject to the direction of the Chief Executive in matters of their statutory authority. They will be accountable to the Chief Executive for their effectiveness, efficiency, and managerial actions.

The positions will then have the same status as other statutory officers now within Internal Affairs, for example such as the Registrar of Births, Deaths and Marriages, the Chief Executive of the Local Government Commission and the Director of Civil Defence Emergency Management. Examples in other departments include the Commissioner of Crown Lands, the Surveyor-General, the Registrar-General of Land and the Valuer-General, who are each employed by the Chief Executive of Land Information New Zealand.

It would be unlawful for the Chief Executive to interfere in the statutory decision-making of any of these officers, and unlawful for the statutory officer to accept such interference.

The intention of the three Chief Executives in advising Ministers is to ensure the legislation required by integration does **not**:

- alter the nature of the services associated with Archives New Zealand or the National Library.
- constrain the current levels of independence of the Chief Archivist and the National Librarian.
- diminish the ability of key stakeholders to take action to protect the independence of the National Librarian and the Chief Archivist.
- change the role of the Alexander Turnbull Library.
- change the role of Ministerial Advisory Groups.

### **The following information was added on 9 June 2010:**

Clarification has been sought on the exact scope under which the Chief Archivist and National Librarian would act independently of the Chief Executive of the Department

Integration of the National Library of New Zealand and Archives New Zealand into the Department of Internal Affairs: information from the Chief Executives

of Internal Affairs. The decisions that have been made to bring about the integration of the three departments have made clear that the legislative changes will give effect to: the Chief Archivist and the National Librarian being appointed by the Chief Executive of the Department of Internal Affairs; the appointees being responsible to the Chief Executive, without predetermining reporting structures and without compromising the statutory roles they are responsible for performing; the intent that current statutory independent functions will be retained, including protection from improper influence.

## Consultation

---

### Summary

The public and stakeholders will have an opportunity to comment on the organisational design proposals which will integrate the three departments.

### Issue

*There was no consultation before Government's decision was announced. Important public institutions need to develop with appropriate input from users, and representatives of the public who are the long-term beneficiaries of the institutions.*

### Response

The Government is acting in line with its formally declared intention for a more efficient public service, providing better front office services and saving, where possible, in back-room functions. These policies apply to Internal Affairs, Archives New Zealand and the National Library as well as all government agencies.

The Chief Executives of each of the three departments are committed to continuing to seek out, and listen to, stakeholder views, and want to have as much face-to-face contact as possible.

There will be no consultation on the Government decisions already made. There will be proposals developed dealing with:

- high-level operational principles, including the statutory independence of officials such as the Chief Archivist and National Librarian and the role of the Chief Executive of the Department of Internal Affairs as the employer of all staff, and the point of accountability to Ministers for efficient operation of all parts of the Department. Principles leading to the maintenance or improvement of existing functions and services and the strengthening of national cultural institutions will also be developed
- organisation for the new Department of Internal Affairs, including reporting lines, management structures and identification of additional, retained, changed and disestablished roles.

The high-level operational principles and those relating to functions and services and national cultural institutions will be communicated to stakeholders shortly after they are communicated to staff. Input from stakeholders will be welcomed, and will be taken into account before decisions are made. Staff will be consulted on the operational principles and organisational design.

Legislation will be recommended for the minimum necessary change in the law to achieve integration and as far as possible will not impinge on services, functions, and institutions. Stakeholders and members of the public are expected to be invited by Parliament to make submissions on the legislation at the Select Committee stage.

On-going communications with all stakeholders is part of the integration process.

## 'Tiers'

---

### Summary

The 'tier' of a particular role in a department of significant size is not relevant to the influence and status of the role.

### Issue

*If the National Librarian and the Chief Archivist are employees of the Chief Executive of Internal Affairs, they will be 'second-tier' public servants, or possibly even 'third-tier' public servants. As such they will lose influence, lose the 'ear of the Minister' and be perceived as having a second - or third- class status. This will affect their ability to argue successfully for needed reform and for resources.*

### Response

'Tiers' are sometimes used as a rough tool to analyse the types of people in different State sector roles. But there is no mention of 'tiers' in the State Sector Act 1988, the Public Records Act 2005 or the National Library of New Zealand (Te Puna Matauranga o Aotearoa) Act 2003.

There are many 'tier two' or 'tier three' roles in the Public Service which are larger in job size than many 'tier one' roles. The head of Work and Income, for example, is a tier-two position with a role greater than the Chief Executive of a small agency.

It is most unlikely that the National Librarian and the Chief Archivist, under the integration decisions, will have less contact with Ministers. This is because the Chief Executive of Internal Affairs will be reporting on administrative issues, giving the Statutory Officers the opportunity for more time to discuss professional issues with Ministers. In addition, in the preparation of proposals for government decision making, the Chief Archivist and the National Librarian will have the support of a large department, with extensive policy capacity.

## Impact on operations

---

### Summary

The integration of the three departments will not diminish services.

### Issue

*There is concern that as a result of the integration, services could be downgraded, or, in the case of services temporarily suspended while National Library upgrades its Wellington building, not restored. There is concern that to save taxpayers' money, services could be downgraded and that 'back office' savings will not be transferred to 'front office' services.*

### Response

The Government's intention is to strengthen institutions and improve services to make savings. It is government policy that back-office savings be referred to frontline services, that is, services to the New Zealand people.

There are risks that in any change process, there will be disruption to services, or that needed improvements will not be made because thinking and action is concentrated on the change.

This risk will be managed by setting up business work streams to manage the integration as smoothly as possible and at the same time by ensuring proper consultation and evaluation. Using the change expertise of all three agencies helps to ensure that there is minimal, if any, impact on services during the integration process.

## Savings

---

### Summary

Savings will happen, but they are not the main reason for the change.

### Issue

*There is concern that the savings suggested for integration amount to a very small part of the overall operating budgets of the organisations being integrated, and that such savings do not represent a good reason to change the status quo.*

### Response

While any reduction in cost is welcomed as a contribution to the overall efficiency of government, savings are not the prime reason for change. The savings identified in the Cabinet paper of released on 25 March 2010 are immediate savings resulting from integration itself. They consist of the immediate reduction in costs as a result of a reduced number of administrative roles.

Financial analysis indicated that the change could be achieved without extra spending. All three organisations collect, store and release information which has particular value because it is government information. All depend on, and have significant plans for digitisation of collections, as well as needing to continue to manage paper-based records. Internal Affairs is home to Government Technology Services, which is responsible for cross-government ICT leadership and development. Joining the organisations together is an effective way to capitalise on this.

## Protecting budgets

---

### Summary

Money voted by parliament for library or archives purposes will not be used for other purposes.

### Issue

*There is concern that funds meant for archives or library services will be diverted to other areas of Internal Affairs responsibility. Archives and library services will have to fight with other areas for funding.*

### Response

The Public Finance Act prevents money voted by parliament for one purpose being transferred to another vote. Internal Affairs at present has six votes, and manages its

operations in this area to the standards expected by the Auditor-General, as is shown by the report of the Auditor-General to parliament each year.

## Intervention logic

---

### Summary

The change is intended to improve services and strengthen national cultural institutions for the future – it does not mean things are "going wrong".

### Issue

*Archives New Zealand and the National Library are considered to be functioning well by the State Services Commission; nothing is broken, so why fix it?*

### Response

Integration of this sort is intended to unite strengths, rather than overcome specific failings. Each of the three organisations needs substantial investment in the next few years to meet growing public demand for online services.

The integration will make it easier to find better ways of collecting, storing, and publishing information. The shared services such as ICT, human resources and financial management available in a larger department make it easier for professionals to concentrate on improving and delivering services.

## Freedom of information

---

### Summary

Freedom to access information is not at risk.

### Issue

*By collecting and providing access to information and, in the case of archives, ensuring that government records are preserved, governments are held accountable by the people in the long term, and are truly answerable 'at the bar of history'. This is too important a role to be assigned to an agency with diverse functions especially one that handles censorship. Independence is needed to ensure there is not interference.*

### Response

Any risks of unlawful interference in Archives New Zealand or National Library collections or functions will be mitigated in the same way as it is are now, by ensuring the continued statutory independence of the positions which now hold such independence.

Internal Affairs is one of the agencies (along with Police and Customs) responsible for censorship enforcement. Censorship policy is a responsibility of the Ministry of Justice. The censorship unit within the Department has a relatively high public profile, but makes up less than one percent of the Department's staff.