

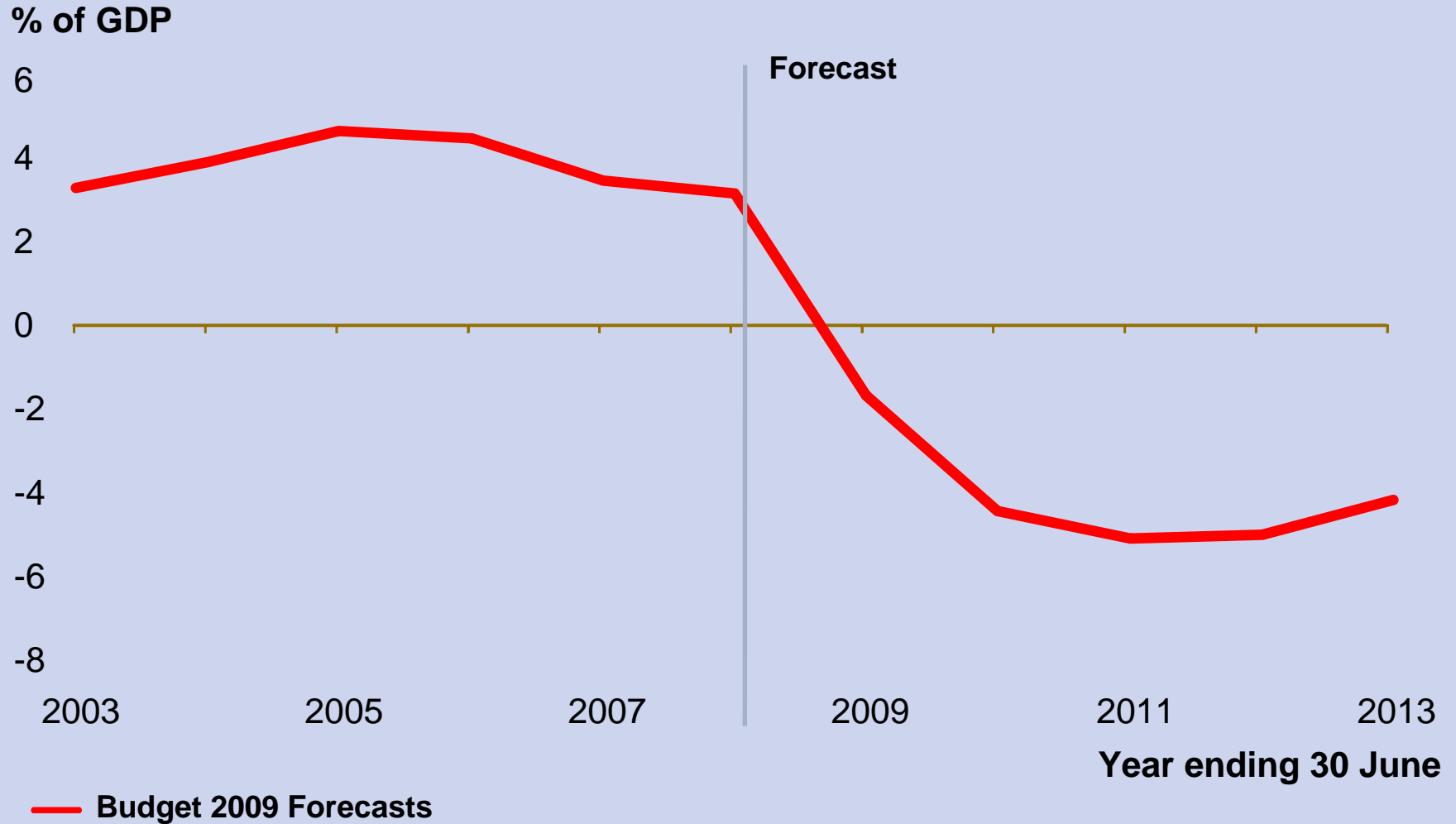


# **The Balance Between Public and Private**

Peter Mersi,  
Deputy Secretary, The Treasury

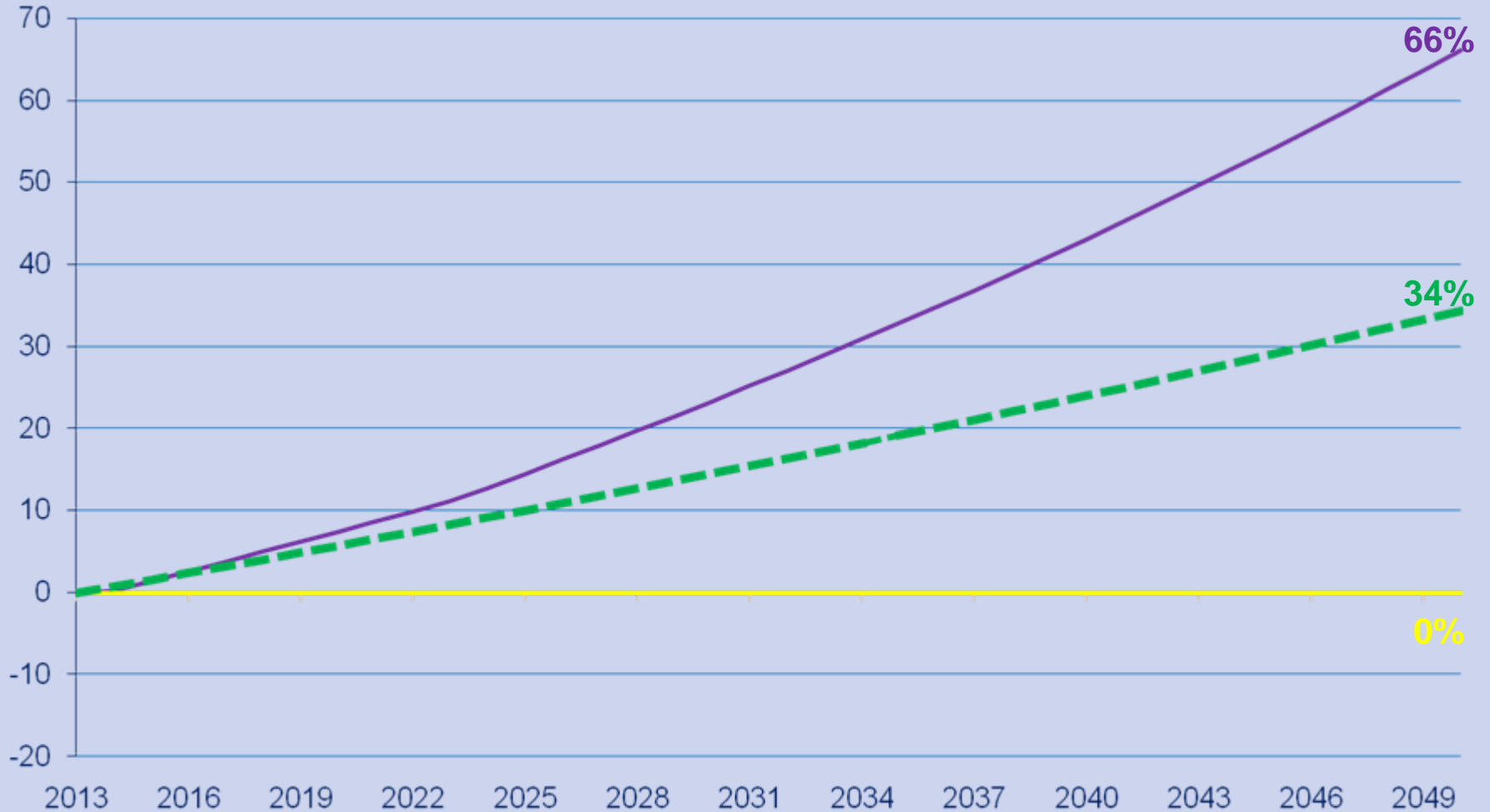
**Building The Public Sector For The 21st Century**  
IPS / IPANZ Joint Seminar Series

# Deficit forecasts



# Provision of public services

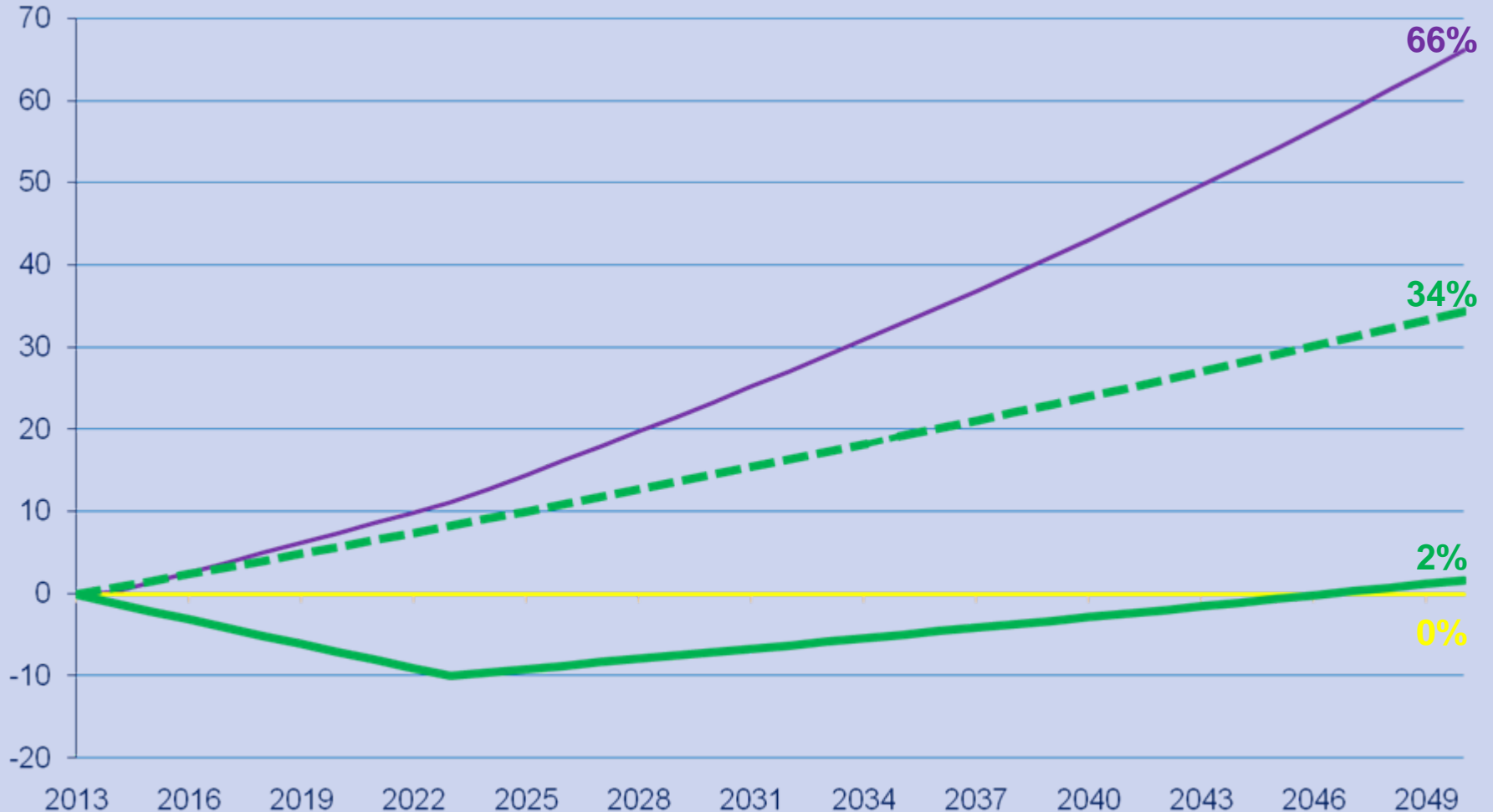
Cumulative % change



— NZS per recipient    — Benefits per recipient    - - - Public services per capita (historic trends)

# Provision of public services

Cumulative % change



— NZS per recipient

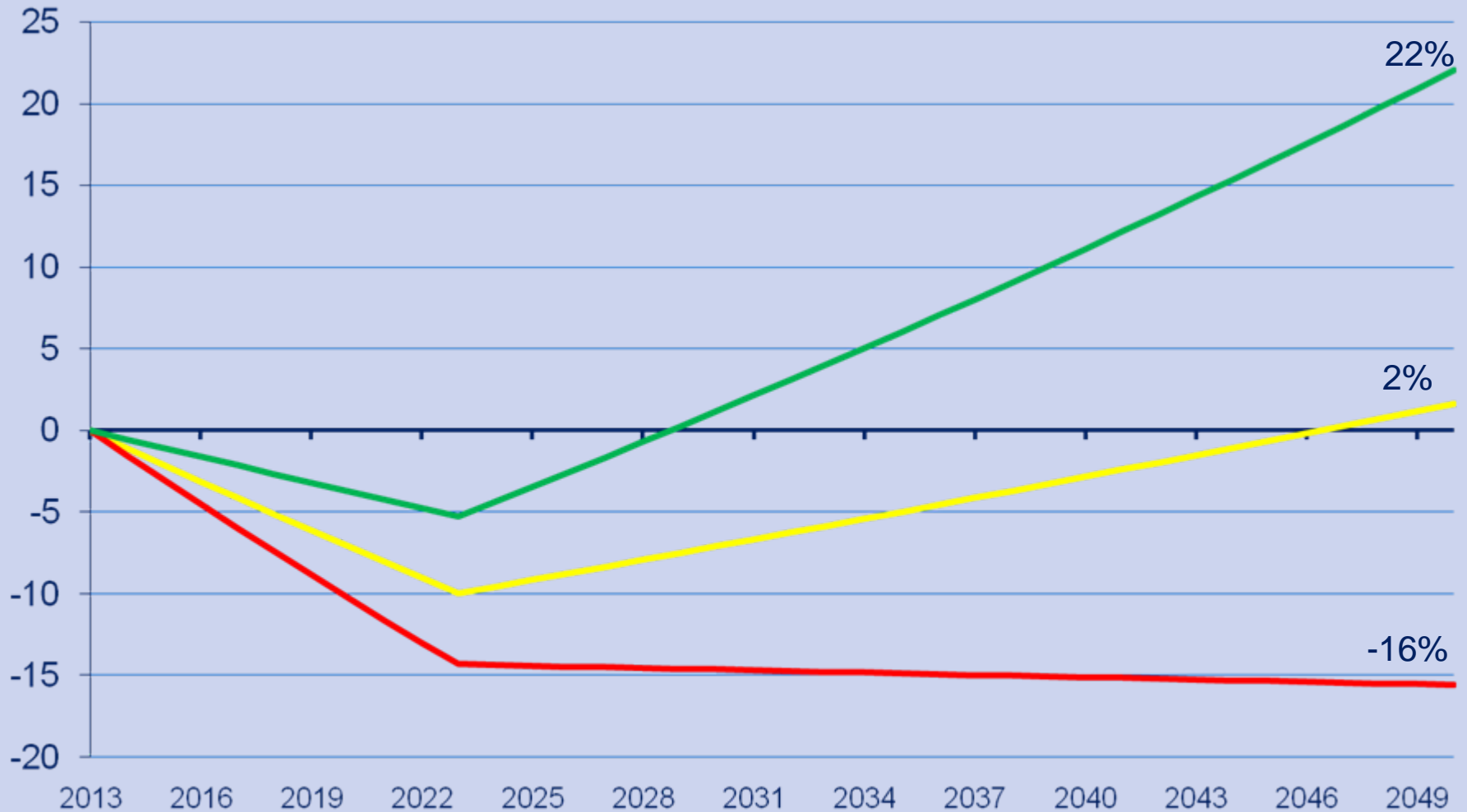
— Benefits per recipient

--- Public services per capita (historic trends)

— Public services per capita (sustainable debt)

# Impact of productivity gains

Cumulative % change



Public services per capita (public sector productivity = 0.3% p.a.)

Public services per capita (public sector productivity = -0.2% p.a.)

Public services per capita (public sector productivity = 0.8% p.a.)

# Service



Back then . . .



# Road rules



# Personalised



# Frustration



# Channel migration

Migrating services to tiers 2 & 1 decreases cost of customer contact



Tier 3

**In person = \$20-\$150**

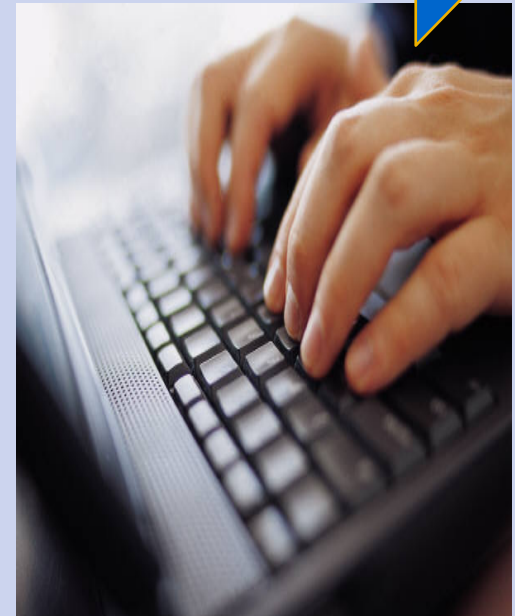
When physical presence, protection, or intervention required.



Tier 2

**Phone = \$5 - \$10**

For urgent or emergency requests and meeting customer's need for reassurance



Tier 1

**Online = 30c - 65c**

Self service can be used for bulk of requests for information, interaction & transactions

# Innovation





# Questions?



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