

Vote Transport

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Transport (M72)

ADMINISTERING DEPARTMENT: Ministry of Transport

MINISTER RESPONSIBLE FOR MINISTRY OF TRANSPORT: Minister of Transport

Overview of the Vote

The Minister of Transport is responsible for appropriations in Vote Transport for the 2008/09 financial year covering the following:

- A total of \$101 million for Departmental Output Expense Appropriations. The majority of this is spent on policy advice (\$31 million) and motor vehicle registry and revenue management services (\$67 million).
- A total of \$1,405 million for Non-Departmental Output Expense Appropriations.
 - \$1,363 million is budgeted to be spent on the purchase of regional and local road network construction, maintenance of State Highways and local roads and passenger transport services. This activity is funded from fees and charges paid by road users.
 - \$42 million is spent on purchasing transport (maritime, aviation, rail and road) safety advice from transport Crown entities, weather forecasting services from MetService and contributing toward the cost of the Canterbury and Northland regional land transport strategies and Waikato rail network.
- A total of \$21,675.228 million for Capital Expenditure to be incurred by the Crown.
 - \$20,540 million is a fiscally neutral transfer of assets to create the new transport Crown entity, New Zealand Transport Agency.
 - \$1,120 million is budgeted to be spent on the development of the State highway network.
 - \$8.8 million will be spent on capital injections to Maritime New Zealand, the Transport Accident Investigation Commission and Aviation Security Service.
 - \$5.3 million is budgeted for the realignment of Buckle Street.
- A total of \$3 million for Departmental Capital Appropriations for the purchase of assets owned by the Ministry.
- A total of just over \$22 million for Non-Departmental Other Expense Appropriations to be spent on enhanced transport concessions for SuperGold cardholders, memberships of international organisations and funding for public policy rail initiatives.
- Two multi year appropriations totalling \$5.3 million for costs relating to joint venture airports and distress radio beacon education.

The Ministry expects to collect \$1,104.182 million of Crown revenue in 2008/09, most of which is fees and charges paid by road users.

Details of these appropriations are set out in Parts 2-6 for Vote Transport in the Information Supporting the Estimates of Appropriations.

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Airport Operation and Administration (M72) Operation of Milford Sound/Piopirotahi aerodrome to provide a safe and efficient airport operation that contributes to the achievement of NZTS objectives.	200	200	200
Motor Vehicle Registry and Revenue Management (M72) Management of the Motor Vehicle Registry and Revenue Management business to maximise the collection of Crown revenue that is properly due and take a proactive approach to debt management.	68,460	68,460	67,060
Next Steps Review Implementation (M72) To fund the implementation of the Next Steps in the Transport Sector Review.	2,400	2,400	400
Policy Advice (M72) Purchase of strategic, objective and evidence based policy advice relating to all modes of transport to progress the achievement of NZTS objectives.	33,289	33,289	31,287
Sector Leadership and Support (M72) Co-ordinating planning across the government transport sector to align government transport agency work programmes with the objectives of the NZTS.	1,700	1,700	2,100
Total Departmental Output Expenses	106,049	106,049	101,047
Non-Departmental Output Expenses			
Canterbury Transport Project (M72) This appropriation is limited to assisting the Canterbury region to implement a land transport package.	-	-	4,500
Civil Aviation Policy Advice (M72) Provision of policy advice on civil aviation safety, development of safety standards, promotion and auditing of aviation security, review of legislation, and administration of New Zealand's participation in ICAO and other safety related agreements.	1,761	1,761	2,261
Licensing Activities (M72) Purchase of land transport licensing services, including driver licensing, not met by user fees.	3,055	3,055	2,475
Maintenance of Local Roads PLA (M72) This appropriation is limited to the purchase of the maintenance of local roads. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	182,226	182,226	193,159
Maintenance of State Highways PLA (M72) This appropriation is limited to the purchase of the maintenance of State highways as specified in the NLTP, including the expensed rehabilitation and construction of State highways with local authorities. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	209,406	209,406	221,971
Management of Funding Allocation System PLA (M72) This appropriation is limited to the purchase of the management of the NLTP funding allocation system, including preparation of the NLTP. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	76,063	76,063	73,633

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Output Expenses - cont'd			
Maritime Safety Regulation and Monitoring (M72) Provision of policy advice on maritime safety, development of safety standards, promotion and auditing of maritime safety, and the review of legislation.	5,189	5,189	5,689
Maritime Security (M72) Provision of standby screening and searching services at ports.	145	145	145
New and Improved Infrastructure for Local Roads PLA (M72) This appropriation is limited to the purchase of improved and new local roads as specified in the NLTP. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	323,596	323,596	339,432
Passenger Transport Services PLA (M72) This appropriation is limited to the purchase of non-commercial road, rail and ferry passenger services. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	241,689	241,689	224,785
Promotion, Information and Education PLA (M72) This appropriation is limited to the promotion of land transport safety, including publications and educational resource materials, and the promotion of land transport safety by the use of advertising and publicity. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	31,492	31,492	34,948
Rail and Sea Freight PLA (M72) This appropriation is limited to the purchase of rail and sea freight solutions, including infrastructure as specified in the NLTP. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	2,000	2,000	2,000
Regional Development Transport Funding (M72) This appropriation is limited to regional development initiatives to develop the forestry roading infrastructure in Northland and Tairāwhiti	-	-	10,000
Regional Land Transport PLA (M72) This appropriation is limited to the regional allocation of a dedicated increase in FED and light vehicle RUC. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	210,000	210,000	214,500
Regulatory Enforcement PLA (M72) This appropriation is limited to the purchase of land transport regulatory implementation services and specialist land transport enforcement for services not met by user fees. Expenses are incurred pursuant to Section 9 of Land Transport Management Act 2003.	2,653	2,653	2,704
Regulatory Implementation and Enforcement (M72) Purchase of land transport regulatory implementation services and specialist land transport enforcement for services not met by user fees.	548	548	548
Reporting on Accident or Incident Investigations (M72) Investigation and reporting on aviation, rail and marine accidents and incidents in New Zealand and the waters over which it has jurisdiction.	2,723	2,723	3,938
Research and Performance Monitoring PLA (M72) This appropriation is limited to the purchase of specialist research on land transport, and monitoring of service delivery by approved organisations. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	7,775	7,775	4,502
Search and Rescue Activities (M72) This appropriation is limited to the purchase of search and rescue activities and a search and rescue coordination service, including follow-up inquiries and reporting, associated with the searches and rescues undertaken.	3,274	3,274	7,078

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Transport Demand Management, and Walking and Cycling PLA (M72) This appropriation is limited to the purchase of transport demand management, and improved access for walking and cycling. This expense is incurred pursuant to section 9 of the Land Transport Management Act 2003.	27,524	27,524	33,748
Waikato Rail Funding (M72) Contribution to increase the investment in the Waikato rail network.	3,000	3,000	5,000
Weather Forecasts and Warnings (M72) Purchase of severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility.	17,097	17,097	17,511
Auckland Land Transport (M72) Contribution to meet the costs of the Auckland region's land transport strategy.	50,000	50,000	-
Bay of Plenty Transport (M72) Contribution to address congestion and improve access and safety through investment in strategic roading, passenger transport, transport demand management and walking and cycling.	10,000	10,000	-
Implementation of Regional Fuel Tax (M72) This appropriation is limited to the development of systems associated with Land Transport New Zealand's regional fuel tax functions including a refund system.	300	300	-
Waikato Land Transport (M72) Contribution to meet the costs of the Waikato region's land transport strategy.	14,000	14,000	-
Wellington Land Transport (M72) Contribution to meet the costs of the Wellington region's land transport strategy.	40,000	40,000	-
Wellington Land Transport (Western Corridor) (M72) A Crown contribution to invest in passenger transport and roading to address congestion, improve safety and improve access reliability on the western corridor between Wellington and Kapiti.	20,000	20,000	-
Total Non-Departmental Output Expenses	1,485,516	1,485,516	1,404,527
Non-Departmental Other Expenses			
Enhanced public transport concessions for SuperGold cardholders (M72) This appropriation is limited to providing enhanced public transport concessions for SuperGold cardholders.	-	-	18,000
International Memberships (M72) Membership subscription to: International Civil Aviation Organisation, International Maritime Organisation, and World Meteorological Organisation.	743	743	743
New Zealand Railways Corporation- Public Policy Projects (M72) Expenditure is for public policy rail initiatives.	3,270	3,270	3,270
Railway Safety (M72) To undertake public safety works.	500	500	500
Motor Vehicle Registration/Licenses and Road User Charges Bad Debt Provision (M72) This appropriation is limited to provision for bad debts that arise from non payment of motor vehicle registrations and road user charges	5,600	5,600	-
Total Non-Departmental Other Expenses	10,113	10,113	22,513

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Capital Expenditure			
Ministry of Transport - Capital Expenditure PLA (M72)	4,300	4,300	3,000
This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Transport, as authorised by section 24(1) of the Public Finance Act 1989			
Total Departmental Capital Expenditure	4,300	4,300	3,000
Non-Departmental Capital Expenditure			
Aviation Security Service (M72)	-	-	7,348
This appropriation is limited to meeting the ongoing capital costs of the security measures under international and domestic obligations, including accommodation and IT systems.			
Maritime New Zealand (M72)	2,000	2,000	1,000
Capital injection to fund the capital component of an information technology upgrade and the asset management costs of Maritime New Zealand.			
Maritime NZ (M72)	1,236	1,236	259
This appropriation is limited to restoring working capital after several high cost events and making physical changes to the Rescue Coordination Centre layout and the update and purchase of IT equipment.			
New & Improved Infrastructure for State Highways - Crown Contribution (M72)	-	-	347,000
This appropriation is limited to contributing towards the purchase of State highway improvements as outlined in the 2006/07 State Highway Forecast			
New and Improved State Highway Infrastructure PLA (M72)	256,872	256,872	710,758
To ensure the Purchase of State Highway improvements as specified in the NLTP. These expenses are incurred pursuant to Section 9 of the Land Transport Management Act 2003.			
New Zealand Transport Agency (M72)	-	-	20,540,280
This appropriation is limited to the value of the net assets of Land Transport NZ and Transit as at 30 June 2008 being transferred to the new Crown Entity to be established.			
Realignment of Buckle Street (M72)	2,667	2,667	5,333
A government contribution towards the cost of realigning Buckle Street, which currently separates the National War Memorial from the area of the planned National Memorial Park, northwards.			
State Highway Construction Programme Guarantee (M72)	65,500	65,500	63,000
To ensure that the State Highway Construction Programme can be delivered in the event that the input cost escalation is higher than provided for in the 2006/07 National Land Transport Programme.			
Transport Accident Investigation Commission (M72)	100	100	250
This appropriation is limited to the increase of working capital and purchase of fixed assets.			
ALPURT B2 (M72)	120,248	120,248	-
Contribution to support the construction of the Albany to Puhoi Northern Motorway Extension (ALPURT B2).			
Land Transport New Zealand (M72)	200	200	-
This appropriation is limited to a capital injection for the development of a system to administer regional fuel tax schemes			
New and Improved Infrastructure for State Highways (M72)	240,000	240,000	-
To ensure the Purchase of State Highway improvements as specified in the NLTP.			
Tauranga Harbour Link Project (M72)	50,000	50,000	-
Capital injection to part fund the construction of a harbour bridge in Tauranga (Harbour Link).			
Total Non-Departmental Capital Expenditure	738,823	738,823	21,675,228
Total Annual and Permanent Appropriations	2,344,801	2,344,801	23,206,315

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriation	\$000
Departmental Output Expenses		
Distress Radio Beacons National Education Campaign (M72) Funding for a national education campaign informing owners and users of distress radio beacons of the need to upgrade transmission frequency before 1 February 2009. Commences: 1 July 2005 Expires: 30 June 2009	Original Appropriation	888
	Adjustments to 2006/07	-
	Adjustments for 2007/08	-
	Adjusted Appropriation	888
	Actual to 2006/07 Year End	453
	Estimated Actual for 2007/08	192
	Estimated Actual for 2008/09	243
	Estimated Appropriation Remaining	-
Non-Departmental Capital Expenditure		
Crown Contribution to Joint Venture Airports (M72) To provide capital for enhancements to airport terminals and runways and to cover the Crown's share of operating losses for the year ended June 2005 and an estimate of the losses for the year ended June 2006. Commences: 1 July 2005 Expires: 30 June 2010	Original Appropriation	3,598
	Adjustments to 2006/07	-
	Adjustments for 2007/08	850
	Adjusted Appropriation	4,448
	Actual to 2006/07 Year End	2,061
	Estimated Actual for 2007/08	1,863
	Estimated Actual for 2008/09	35
	Estimated Appropriation Remaining	489
New and Improved Infrastructure for State Highways (M72) To ensure the Purchase of State Highway improvements as specified in the NLTP. Commences: 1 July 2006 Expires: 30 June 2011	Original Appropriation	862,000
	Adjustments to 2006/07	425,000
	Adjustments for 2007/08	(793,000)
	Adjusted Appropriation	494,000
	Actual to 2006/07 Year End	259,240
	Estimated Actual for 2007/08	234,760
	Estimated Actual for 2008/09	-
	Estimated Appropriation Remaining	-

Details of Projected Movements in Departmental Net Assets

Ministry of Transport

Details of Net Asset Schedule	Estimated Actual 2007/08 \$000	Projected 2008/09 \$000	Explanation of Projected Movements in 2008/09
Opening Balance	10,245	11,513	
Capital Injections	1,300	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	(32)	-	
Closing Balance	11,513	11,513	