

# *Information Supporting the Supplementary Estimates*

## *Vote Defence*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Defence (M22)

ADMINISTERING DEPARTMENT: Ministry of Defence

MINISTER RESPONSIBLE FOR MINISTRY OF DEFENCE: Minister of Defence

## Part 1 - Summary of the Vote

### Part 1.3 - Trends in the Vote

#### Summary of Financial Activity

	2008/09				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	9,601	1,741	-	1,741	11,342
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	190,650	-	90,702	90,702	281,352
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
<b>Total Appropriations</b>	<b>200,251</b>	<b>1,741</b>	<b>90,702</b>	<b>92,443</b>	<b>292,694</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	400	N/A	-	-	400
Capital Receipts	261,999	N/A	(33,416)	(33,416)	228,583
<b>Total Crown Revenue and Capital Receipts</b>	<b>262,399</b>	<b>N/A</b>	<b>(33,416)</b>	<b>(33,416)</b>	<b>228,983</b>

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### **Audit and Assessment of Performance (M22)**

##### *Scope of Appropriation*

This appropriation is limited to audits and assessments of the New Zealand Defence Force and the Ministry of Defence.

##### *Reasons for Change in Appropriation*

This appropriation will increase by \$12,000 to \$1.921 million for 2008/09 due to a fiscally neutral adjustment between departmental output classes to manage funding pressures within the Vote.

#### **Management of Equipment Procurement (M22)**

##### *Scope of Appropriation*

Managing procurement or refurbishment, on behalf of the Crown, of various items of equipment contributing to a capability of the New Zealand Defence Force.

##### *Reasons for Change in Appropriation*

The appropriation will increase by \$1.446 million to \$5.179 million for 2008/09. The increase is mainly due to expenditure of \$1.451 million on pre-acquisition costs incurred in relation to purchase of specialised military equipment, that are recoverable from New Zealand Defence Force.

#### **Policy Advice (M22)**

##### *Scope of Appropriation*

Policy advice, management of international defence relations and services to the Minister.

##### *Reasons for Change in Appropriation*

This appropriation will increase by \$283,000 to \$4.242 million for 2008/09. The increase is mainly due to additional funding of \$290,000 for the Defence Review 09.

## Part 6 - Details and Expected Results for Capital Expenditure

### Part 6.2 - Non-Departmental Capital Expenditure

#### Defence Equipment (M22)

##### *Scope of Appropriation*

This appropriation is limited to the purchase, modification or refurbishment of major items of defence equipment for the New Zealand Defence Force.

##### *Capital Expenditure*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	190,275	90,702	280,977

##### *Reasons for Change in Appropriation*

The appropriation will increase by \$90.702 million to \$280.977 million for 2008/09 as a result of funding for new projects initiated in 2008/09 (Defence Joint Command and Control System, ANZAC Platform Systems Upgrade, and Training Light Utility Helicopter project) and changes in the timings for various contractual milestone payments for existing projects.