

Vote Economic Development

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Economic Development (M25),
Minister for Small Business (M62), Minister for the Rugby World Cup (M79)

ADMINISTERING DEPARTMENT: Ministry of Economic Development

MINISTER RESPONSIBLE FOR MINISTRY OF ECONOMIC DEVELOPMENT: Minister for Economic
Development

Details of Appropriations

Details of Annual and Permanent Appropriations

	2009/10		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Departmental Output Expenses			
Policy Advice - Small Business (M62)	1,584	116	1,700
This appropriation is limited to policy advice on issues relating to lifting the capability and performance of Small to Medium Enterprises (SMEs), including ministerial servicing and advice on the development, coordination and implementation of policies and programmes that affect SMEs.			
Policy Advice and Sector Leadership - Firm Capability, Sectoral and Regional Development (M25)	14,039	6,730	20,769
This appropriation is limited to the purchase of policy advice and ministerial servicing for the development, evaluation and overview of economic, industry and regional development policies and initiatives to achieve short and long term economic growth and stability.			
Total Departmental Output Expenses	15,623	6,846	22,469
Non-Departmental Output Expenses			
Analysis and Development Services for Firms (M25)	18,395	(173)	18,222
The appropriation is limited to customised advice and support to firms based on analysis of opportunities, issues and risks facing them in their growth and internationalisation, including advice and support for firms to access business assistance grants.			
Identification and Coordination of International Market Opportunities (M25)	73,891	603	74,494
This appropriation is limited to the identification and coordination of international market opportunities for firms through market analysis and intelligence, facilitation into international business networks and marketing and support of New Zealand's presence at significant international events.			
International Investment Facilitation Services (M25)	15,212	(6)	15,206
This appropriation is limited to coordination and analysis of opportunities for investment into New Zealand and investment by New Zealand firms into international markets.			
Investment Fund Management (M25)	2,330	-	2,330
Operational costs of the Venture Investment and Seed Co-investment Funds.			
Regional and Sector Development Services (M25)	47,320	194	47,514
This appropriation is limited to customised advice and support to regional institutions for the development of regional economic development strategies, and to sectoral industry bodies and groups of firms for the development and implementation of plans to improve the performance of sectors.			
Standardised Training and Advisory Services (M25)	15,765	-	15,765
This appropriation is limited to standardised training and advisory services provided by third parties to firms on a range of business development needs including business incubation, capital acquisition, finance brokering and exporting.			
Total Non-Departmental Output Expenses	172,913	618	173,531

	2009/10		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Other Expenses			
Enterprise Development Fund (M25) Assistance for entrepreneurs and businesses to undertake advanced training, engage a business mentor or specific management advice and/ or undertake international market development activities.	-	600	600
Establishment and operation of the Food Innovation Network New Zealand (M25) This appropriation is limited to the establishment and operation of the Food Innovation Network New Zealand.	-	5,000	5,000
Film New Zealand (M25) Operation of an independent structure for Film NZ, development of a marketing plan for the film sector and coordination of regional film offices.	799	-	799
Grant to Rowing New Zealand (M25) This appropriation is limited to a grant to assist with the completion of the Rowing New Zealand High Performance Centre at Lake Karapiro.	-	1,000	1,000
Growth Services Fund (M25) Medium to high growth potential firms to purchase external advice and expertise and marketing intelligence and development services.	9,627	211	9,838
International Biotechnology Partnerships (M25) Facilitation of joint ventures between Australia and New Zealand companies in biotechnology development, manufacturing and marketing.	4,000	(3,270)	730
Large Budget Screen Production Fund (M25) Assistance to film and television productions that spend over \$15 million in New Zealand, if that expenditure equals or exceeds 70% of the production's total budget.	35,556	16,925	52,481
Louis Vuitton Trophy Series (M25) This appropriation is limited to a payment to Emirates Team New Zealand for the purposes of participating in the Louis Vuitton Trophy series and of holding the Auckland regatta of the Louis Vuitton Trophy series in March 2010 in partnership with Louis Vuitton and hosted by the Royal New Zealand Yacht Squadron.	-	3,500	3,500
Major Events Development Fund (M25) Support for major events that provide economic, social, cultural and international profiling benefits to New Zealand.	6,532	1,050	7,582
Management Development Fund (M25) Assistance to address the management capability gap in New Zealand, through the commissioning of research, stimulation of business interest and supply of management development services.	756	(395)	361
Market Development Assistance Fund (M25) Encouragement for the integration of more New Zealand businesses into global markets by facilitating the creation, development and expansion of overseas markets for New Zealand goods, services, intellectual property and know-how.	40,773	-	40,773
Negotiation and Completion of Stadium Projects (M25) This appropriation is limited to a funding facility for relevant Corporate Entities for the purpose of Stadium developments at Dunedin, Christchurch, Nelson and Whangarei to host games for the RWC 2011.	35,000	(1,000)	34,000
Promotion of New Zealand Associated with the America's Cup (M25) This appropriation is limited to meeting costs associated with the proposed sponsorship of Team New Zealand's participation in the next multi-challenger America's Cup.	13,000	(9,500)	3,500

Titles and Scopes of Appropriations by Appropriation Type	2009/10		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Other Expenses - cont'd			
Regional and Industry Development Fund (M25) Support of industry and regional specific projects that are likely to have the ability to contribute to government economic objectives and to unlock high growth potential, including support of Buy Kiwi Made sectoral and regional initiatives.	635	395	1,030
Regional Partnerships and Facilitation (M25) Provision of advice and grants to support the development of business incubators and regional clusters, and to support regional partnerships to develop and implement sustainable economic growth strategies.	16,230	2,149	18,379
Rugby World Cup Free-to-Air Broadcasting Right (M79) This appropriation is limited to meeting the government contribution to the joint bid by the Māori Television Service, Television New Zealand and Mediaworks for the Rugby World Cup free-to-air broadcasting right.	-	640	640
Sector Strategies and Facilitation (M25) Assistance with the facilitation of specific sector initiatives, particularly in the areas of major events, pre-feasibility and feasibility studies and guarantees for significant projects to access funding through other government programmes and cash grants.	1,500	-	1,500
West Coast Timber Industry Settlement (M25) This appropriation is limited to the provision of an ex gratia payment to address the impact of the actions of Timberlands West Coast on the West Coast timber industry.	-	4,000	4,000
Total Non-Departmental Other Expenses	164,408	21,305	185,713
Departmental Capital Expenditure			
Ministry of Economic Development - Capital Expenditure PLA (M25) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Economic Development, as authorised by section 24(1) of the Public Finance Act 1989.	19,606	1,042	20,648
Total Departmental Capital Expenditure	19,606	1,042	20,648
Non-Departmental Capital Expenditure			
New Zealand Trade and Enterprise (M25) To increase NZTE's in-market assistance for New Zealand firms in China, India and Japan.	124	3,921	4,045
Purchase of Queen's Wharf, Auckland (M25) This appropriation is limited to the sale and purchase of the Queen's Wharf, Auckland jointly with the Auckland Regional Council.	-	20,000	20,000
Seed Co-investment Fund (M25) Support the development of the market for early stage equity finance.	8,000	12,487	20,487
Venture Investment Fund (M25) Capital Investment to accelerate the development of the New Zealand Venture Capital Market. Public funds will be co-invested with the private sector to increase the rate of formation of new businesses based on high added value goods and services.	14,875	53,093	67,968
Total Non-Departmental Capital Expenditure	22,999	89,501	112,500
Total Annual and Permanent Appropriations	395,549	119,312	514,861

Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
New Zealand's Participation at Expo 2010 Shanghai, China (M25)	Original Appropriation	26,600
This appropriation is limited to New Zealand's participation at Expo 2010 in Shanghai, China.	Adjustments to 2008/09	9,756
	Adjustments for 2009/10	-
Commences: 1 July 2008	Adjusted Appropriation	36,356
	Actual to 2008/09 Year End	4,948
Expires: 30 June 2011	Estimated Actual for 2009/10	26,448
	Estimated Actual for 2010/11	4,960
	Estimated Appropriation Remaining	-
Non-Departmental Other Expenses		
3D Digital Graphics Cluster (M25)	Original Appropriation	7,000
To research and develop commercial projects that build on New Zealand's existing strength in 3D digital graphics technology.	Adjustments to 2008/09	-
	Adjustments for 2009/10	-
Commences: 1 July 2007	Adjusted Appropriation	7,000
	Actual to 2008/09 Year End	5,000
Expires: 30 June 2010	Estimated Actual for 2009/10	2,000
	Estimated Actual for 2010/11	-
	Estimated Appropriation Remaining	-
Transformational Initiatives Fund (M25)	Original Appropriation	9,766
Funding for the implementation of policy on transformational initiatives as agreed by Cabinet.	Adjustments to 2008/09	-
	Adjustments for 2009/10	520
Commences: 1 March 2009	Adjusted Appropriation	10,286
	Actual to 2008/09 Year End	-
Expires: 30 June 2013	Estimated Actual for 2009/10	-
	Estimated Actual for 2010/11	4,520
	Estimated Appropriation Remaining	5,766

Details of Projected Movements in Departmental Net Assets

Ministry of Economic Development

Details of Net Asset Schedule	2009/10 Main Estimates Projections \$000	2009/10 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2009/10
Opening Balance	18,523	18,394	Supplementary Estimates opening balance reflects the audited results as at 30 June 2009.
Capital Injections	16,606	12,356	Deficits incurred on Departmental Output Expenses where memorandum accounts are in operation \$3.900 million (\$3.600 million in Main Estimates) and funding for capital contribution for capital expenditure \$8.456 million (\$13.006 million).
Capital Withdrawals	-	(108)	Capital transfer of \$108,000 for funding the Identity Verification Service (Nil).
Surplus to be Retained (Deficit Incurred)	(3,600)	(3,900)	Deficit for the year comprised of memorandum account deficits \$3.900 million (\$3.600 million in Main Estimates), departmental output expenses where surplus earned is \$380,000 (\$80,000) less provision for repayment of surplus \$380,000 (\$80,000).
Other Movements	-	-	
Closing Balance	31,529	26,742	