

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

Vote Transport encompasses the funding of the road, rail, aviation and maritime transport modes.

The major entities involved are the Ministry of Transport, the New Zealand Transport Agency and KiwiRail, as well as the other Transport Crown entities, the Civil Aviation Authority (incorporating the Aviation Security Service), Maritime New Zealand and the Transport Accident Investigation Commission.

Road

The largest element of the Vote is the funding for the National Land Transport Programme (\$3,356 million or 82% of the total Vote) which is principally funded from road tax revenue collected by the Crown.

Of this balance, \$750 million relates to a loan from the Crown for cash flow management. The appropriation does not take account of any repayments made in the year and the facility may not exceed \$250 million at any one time.

Rail

Funding for Rail makes up 13% of the Vote - \$521 million:

- \$250 million is the third tranche of the Government's commitment to the KiwiRail Turnaround Plan, the aim of which is for KiwiRail to develop a commercially sustainable freight business within 10 years
- \$100 million is a loan to the Auckland Council to assist with the funding of the Electric Multiple Units
- an additional \$152 million is for the Auckland metro network, and
- the balance of \$19 million is mainly for a project supporting metro rail improvements in Wellington.

Crown Entity and Other Funding

The balance of the Vote (\$121 million) is mainly split between:

- the Ministry of Transport as departmental funding (\$33 million)
- Crown entities for services (\$42 million). The Crown entities receive most of their funding from third party fees and charges
- SuperGold card public transport concessions (\$22 million), and
- weather forecasting services from Meteorological Service of New Zealand (\$18 million).

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	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
<i>Fuel Excise Duty Refund Administration (M72)</i> This appropriation is limited to the receipt and processing of applications for, and the refunding of, Fuel Excise Duty.	429	429	429
<i>Milford Sound / Piopiotahi Aerodrome Operation and Administration (M72)</i> This appropriation is limited to the operation of Milford Sound/Piopiotahi aerodrome to provide a safe and efficient airport.	223	223	223
<i>Policy Advice and Related Outputs MCOA (M72)</i>	-	-	30,806
<i>Governance and Performance Advice on Crown Agencies</i> This output class is limited to monitoring of and advice on the governance, performance and capability of transport Crown agencies.	-	-	900
<i>Ministerial Servicing</i> This output class is limited to services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.	-	-	3,300
<i>Policy Advice</i> This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to transport.	-	-	26,606
<i>Search and Rescue Activity Coordination PLA (M72)</i> The estimated amount to be spent on the coordination of search and rescue activities as authorised by section 9 (1) of Land Transport Management Act 2003.	1,136	1,136	1,136
<i>Governance and Performance Advice for Crown Agencies (M72)</i> This appropriation is limited to monitoring of and advice on the governance, performance and capability of transport Crown agencies.	750	750	-
<i>Land Transport Revenue Forecasting and Strategy (M72)</i> This appropriation is limited to land transport revenue forecasting, strategy and policy.	1,550	1,550	-
<i>Policy Advice (M72)</i> This appropriation is limited to strategic, objective and evidence based policy advice that will promote the development of an effective and efficient transport system, and ministerial servicing.	29,088	29,088	-
<i>Road User Charges Collection, Investigation and Enforcement (M72)</i> This appropriation is limited to the collection and refund of Road User Charges, and the investigation and enforcement of evasion of Road User Charges.	18,829	18,829	-
Total Departmental Output Expenses	52,005	52,005	32,594

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Output Expenses			
<i>Accident or Incident Investigation and Reporting (M72)</i> This appropriation is limited to investigation and reporting on aviation, rail and marine accidents and incidents in New Zealand and the waters over which it has jurisdiction.	3,865	3,865	3,865
<i>Crash Analysis (M72)</i> This appropriation is limited to operating the Crash Analysis System and performing associated crash analysis and research activities.	-	-	775
<i>Licensing Activities (M72)</i> This appropriation is limited to land transport licensing services, including driver licensing, not met by user fees.	2,675	2,675	3,561
<i>Maritime Port Security (M72)</i> This appropriation is limited to standby screening and searching services at ports.	145	145	145
<i>Ministerial Servicing by the New Zealand Transport Agency (M72)</i> This appropriation is limited to Ministerial servicing by the New Zealand Transport Agency.	548	548	548
<i>National Land Transport Programme PLA (M72)</i> The estimated amount to be spent on activities under the National Land Transport Programme, as authorised by section 9 (3) and (4) of the Land Transport Management Act 2003.	1,742,800	1,742,800	1,767,000
<i>Policy Advice and Related Outputs - Civil Aviation MCOA (M72)</i>	-	-	2,219
<i>Health and Safety in Employment Activities - Civil Aviation</i> This output class is limited to health and safety activities, for which there is a designated responsibility.	-	-	440
<i>International Relations and International Civil Aviation Organisation Obligations</i> This output class is limited to technical information and advice in relation to international matters affecting New Zealand aviation, to ensure the Minister's obligations in relation to international civil aviation agreements are met, and to promote the development of New Zealand aviation in the international context.	-	-	685
<i>Ministerial Servicing - Civil Aviation</i> This output class is limited to services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.	-	-	431
<i>Policy Advice - Civil Aviation</i> This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to civil aviation.	-	-	663
<i>Policy Advice and Related Outputs - Maritime MCOA (M72)</i>	-	-	6,510
<i>Health and Safety in Employment Activities - Maritime</i> This output class is limited to health and safety activities, for which there is a designated responsibility.	-	-	954
<i>Maritime Safety and Marine Protection Services</i> This output class is limited to the development and delivery of regulatory services which are the responsibility of Maritime New Zealand under legislation.	-	-	2,078
<i>Policy Advice - Maritime</i> This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by ministers on government policy matters and Ministerial servicing.	-	-	3,478

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<i>Rail - Waikato Network Funding (M72)</i> This appropriation is limited to rail projects which improve the capacity and connections of rail freight in the Waikato region.	3,824	3,824	1,591
<i>Road User Charges Collection (M72)</i> This appropriation is limited to collecting road user charges.	-	-	13,273
<i>Road User Charges Investigation and Enforcement (M72)</i> This appropriation is limited to investigating evasion and enforcing of Road User Charges.	-	-	3,779
<i>Road User Charges Refunds (M72)</i> This appropriation is limited to the processing of Road User Charge refunds.	-	-	450
<i>Search and Rescue Activities (M72)</i> 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.	3,316	3,316	3,316
<i>Search and Rescue and Recreational Boating Safety Activities PLA (M72)</i> The estimated amount to be spent in relation to search and rescue and recreational boating safety activities, as authorised under Section 9 (1) of the Land Transport Management Act 2003.	4,473	4,473	4,473
<i>SuperGold Card - Administration of the Public Transport Concessions Scheme (M72)</i> This appropriation is limited to the administration costs of the scheme to provide enhanced public transport concessions for SuperGold cardholders.	95	95	95
<i>Weather Forecasts and Warnings (M72)</i> This appropriation is limited to severe-weather warnings and a level of weather forecast services for land, coastal waters and oceanic areas for which New Zealand has international responsibility.	18,574	18,574	18,574
<i>Canterbury Transport Project (M72)</i> This appropriation is limited to assisting the Canterbury region to implement a land transport package.	5,000	5,000	-
<i>Motor Vehicle Registry (M72)</i> This appropriation is limited to the registration and licensing of motor vehicles, the collection and refund of motor vehicle registration and licensing revenue, and the operation of the Motor Vehicle Register.	47,966	47,966	-
<i>Policy Advice - Civil Aviation (M72)</i> This appropriation is limited to 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.	2,219	2,219	-
<i>Policy Advice on Safety Regulation and Monitoring - Maritime (M72)</i> This appropriation is limited to policy advice on maritime safety, development of safety standards, promotion and auditing of maritime safety, and the review of legislation.	7,232	7,232	-
<i>Regional Development Transport Funding (M72)</i> This appropriation is limited to regional development initiatives to develop the forestry roading infrastructure in Northland and Tairāwhiti.	2,000	2,000	-
<i>Reinstatement of Local Roads in Canterbury (M72)</i> This appropriation is limited to the reinstatement of local roads in Canterbury following the earthquakes as approved by the New Zealand Transport Agency under relevant legislation.	102,000	102,000	-
Total Non-Departmental Output Expenses	1,946,732	1,946,732	1,830,174

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Other Expenses			
<i>Bad Debt Provision - Motor Vehicle Registration/Licenses and Road User Charges (M72)</i> This appropriation is limited to provision for bad debts that arise from non payment of motor vehicle registrations and road user charges.	7,000	7,000	6,000
<i>Membership of International Organisations (M72)</i> This appropriation is limited to non-discretionary payments to international transport related organisations.	743	743	743
<i>Rail - Public Policy Projects (M72)</i> This appropriation is limited to public policy rail initiatives.	3,270	3,270	3,270
<i>Rail - Railway Safety (M72)</i> This appropriation is limited to public safety works.	500	500	500
<i>SuperGold Card - public transport concessions for cardholders (M72)</i> This appropriation is limited to providing enhanced public transport concessions for SuperGold cardholders.	22,905	22,905	21,605
<i>Loan for Auckland Metro Rail Electric Multiple Unit Package Fair Value Write-down (M72)</i> This appropriation is limited to fair value write-downs of Crown debt associated with the Auckland Metro Rail Electric Multiple Unit Package, in accordance with International Financial Reporting Standards.	50,600	43,454	-
<i>Rail - Metro Rail Rolling Stock and Infrastructure (Wellington) (M72)</i> This appropriation is limited to metro rail rolling stock and infrastructure projects in Wellington.	117,442	117,442	-
<i>Tauranga Maritime Incident Response (M72)</i> This appropriation is limited to responding to the MV Rena grounding off Tauranga.	35,000	35,000	-
Total Non-Departmental Other Expenses	237,460	230,314	32,118
Departmental Capital Expenditure			
<i>Ministry of Transport - Capital Expenditure PLA (M72)</i> 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.	303	303	500
Total Departmental Capital Expenditure	303	303	500
Non-Departmental Capital Expenditure			
<i>National Land Transport Programme - New Infrastructure for and Renewal of State Highways PLA (M72)</i> The estimated amount to be spent on capital works for new infrastructure and renewal of State Highways, as authorised by Section 9 (3) and (4) of the Land Transport Management Act 2003.	625,661	625,661	804,529
<i>NLTF Borrowing Facility for Short-Term Advances (M72)</i> This appropriation is limited to short-term advances to the New Zealand Transport Agency to manage variations between cash outlays from and flows of hypothecated revenue into the National Land Transport Fund, with the maximum amount of such advances at any one time not exceeding \$250 million.	750,000	300,000	750,000
<i>Rail - KiwiRail Turnaround Plan Funding (M72)</i> This appropriation is limited to approved capital expenditure that contributes to the KiwiRail Turnaround Plan outcomes.	250,000	250,000	250,000
<i>Rail - Loan for Auckland Metro Rail Electric Multiple Unit Package (M72)</i> This appropriation is limited to a loan for the Auckland metro rail electric multiple unit package.	200,000	96,000	100,000

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Tauranga Eastern Link Loan (M72)</i> This appropriation is limited to the government provision of a loan to the New Zealand Transport Agency to contribute towards the costs of the construction and tolling operations for the Tauranga Eastern Link Roading Project.	-	-	20,000
<i>Wellington Metro Rail Network Upgrade (M72)</i> The appropriation is limited to catch up investment in the Wellington metro rail network which will enable sustainable operation of the network through the Metro Rail Operating model.	11,713	11,713	13,897
<i>Aviation Security Service (M72)</i> This appropriation is limited to meeting the ongoing capital costs of the security measures under international and domestic obligations, including accommodation and IT systems.	303	303	-
<i>New & Improved Infrastructure for State Highways - Crown Contribution (M72)</i> This appropriation is limited to contributing towards the purchase of State highway improvements as outlined in the 2006/07 State Highway Forecast.	3,926	3,926	-
<i>NLTF Borrowing Facility for a Short-Term Advance in 2011/12. (M72)</i> This appropriation is limited to a short-term advance to the New Zealand Transport Agency to manage variations between cash outlays from and flows of hypothecated revenue into the National Land Transport Fund with a maximum balance outstanding of \$90 million.	180,000	-	-
<i>Rail - New Zealand Railways Corporation Loans (M72)</i> This appropriation is limited to loans to the New Zealand Railways Corporation to fund capital projects and provide working capital.	250,000	250,000	-
Total Non-Departmental Capital Expenditure	2,271,603	1,537,603	1,938,426
Total Annual and Permanent Appropriations	4,508,103	3,766,957	3,833,812

Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
<i>Auckland Rail Development (M72)</i>	Original Appropriation	663,875
This appropriation is limited to the renewal, upgrade, and electrification of the Auckland metropolitan rail network.	Adjustments to 2010/11	19,722
	Adjustments for 2011/12	(20,000)
Commences: 1 July 2009	Adjusted Appropriation	663,597
Expires: 30 June 2014	Actual to 2010/11 Year End	350,158
	Estimated Actual for 2011/12	133,686
	Estimated Actual for 2012/13	152,106
	Estimated Appropriation Remaining	27,647
<i>Rail Network and Rolling Stock Upgrade (M72)</i>	Original Appropriation	104,851
This appropriation is limited to the renewal, upgrade and maintenance of the national rail network, and the New Zealand Railway Corporation's rolling stock, terminals and systems.	Adjustments to 2010/11	6,980
	Adjustments for 2011/12	-
Commences: 1 July 2009	Adjusted Appropriation	111,831
Expires: 30 June 2012	Actual to 2010/11 Year End	101,684
	Estimated Actual for 2011/12	10,147
	Estimated Actual for 2012/13	-
	Estimated Appropriation Remaining	-
Non-Departmental Capital Expenditure		
<i>Joint Venture Airports - Crown Contribution (M72)</i>	Original Appropriation	2,000
This appropriation is limited to enhancements to joint venture airport terminals and runways and the Crown's share of operating losses.	Adjustments to 2010/11	-
	Adjustments for 2011/12	101
Commences: 1 July 2011	Adjusted Appropriation	2,101
Expires: 30 June 2015	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	601
	Estimated Actual for 2012/13	500
	Estimated Appropriation Remaining	1,000

Details of Projected Movements in Departmental Net Assets

Ministry of Transport

Details of Net Asset Schedule	2011/12 Estimated Actual \$000	2012/13 Projected \$000	Explanation of Projected Movements in 2012/13
Opening Balance	3,116	3,116	
Capital Injections	-	-	
Capital Withdrawals	-	(408)	Represents the transfer of an asset to the New Zealand Transport Agency
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	3,116	2,708	