

# **VOTE** *Pacific Island Affairs*

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## *Pacific Island Affairs*

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### Overview

Appropriations sought for Vote Pacific Island Affairs in 2006/07 total \$7.217 million. This is intended to be spent as follows:

- \$5.327 million (74% of the Vote) on the purchase of policy advice, monitoring and piloting of innovative programmes.
- \$626,000 (9% of the Vote) to provide and receive information from the Pacific communities and facilitate links between the communities and other government agencies and servicing of the Minister's Advisory Council.
- \$1.156 million (16% of the Vote) on the provision of business advice, information, support and education relating to business development, provided by the Pacific Business Trust.
- \$108,000 (1% of the Vote) on study and training awards for business development and scholarships.

Details of how the appropriations are to be applied appear in Parts B1, C and E of this Vote.

## Minister Portfolio Table

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Minister of Pacific Island Affairs

# *Pacific Island Affairs*

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VOTE MINISTER: Minister of Pacific Island Affairs

ADMINISTERING DEPARTMENT: Ministry of Pacific Island Affairs

The Minister of Pacific Island Affairs is the Responsible Minister for the Ministry of Pacific Island Affairs

## Part A - Statement of Objectives and Trends

### Part A1 - Objectives for Vote

#### *Objectives*

The Ministry exists to promote the development of Pacific peoples in New Zealand, so that they will be able to participate in and thus contribute fully to New Zealand's social and economic life. The Ministry is the Government's leading provider of advice concerning the wellbeing of Pacific peoples in New Zealand.

The Ministry has the mandate - through Government policy and resourcing - to advise, support and inspire appropriate actions across the whole range of government functions in order to improve this status.

The Ministry works towards this through providing high quality and timely advice to the Minister, other government agencies, and more generally, through providing advisory assistance to Pacific communities and also other entities whose activities impact on the lives of Pacific peoples - for example local authorities. The Ministry has a comprehensive set of relationships with, and linkages to, Pacific communities. These enable the Ministry to gain a clear understanding of the expectations and aspirations of Pacific peoples and also to communicate effectively with communities about the policies and programmes of Government that are relevant to them.

As a Ministry, the organisation is primarily focused on providing policy and communications advice. But in order to inform the policy advice produced, it is essential for the Ministry to have the ability to initiate and evaluate certain innovative projects for Pacific peoples. The intended result of such work is that the lessons learned from these projects and the like, can be translated into robust advice on what works, or is promising for contributing to the achievement of improved outcomes for Pacific peoples. Regional offices play a crucial role in supporting ventures and services that affect local Pacific communities.

Based on monitoring and evaluation work undertaken in the regions, the Ministry can provide analysis and advice on possible new policies, programmes, and communication strategies and provide assessments on the effectiveness of existing government services to Pacific peoples.

Finally, the Ministry works in ways that recognise and reflect the diversity of Pacific cultural values and aspirations.

#### *Output Expenses*

In order to make an impact in these areas, the Government is purchasing the following:

- Policy Advice
- Communication
- Promotions - Business Development - Non-Departmental.

The Ministry has identified one Overall Outcome that describes the higher level result sought from the Ministry's own work and most significantly from the work of other agencies that deliver services to Pacific peoples:

*Pacific families and communities achieving to their full potential and contributing to New Zealand society.*

This sought-for result is derived from the Ministry's vision - "Social and economic prosperity for Pacific peoples". It describes a result towards which many other agencies, groups and individuals also work.

In the past three years improvements in social outcomes for Pacific peoples have been achieved, with marked improvement in the education and labour market participation rates. However, in economic terms Pacific peoples still face significant disparities compared to New Zealand's general population.

With the introduction of Government's three Key themes - Economic Transformation, National Identity and Families Young and Old, and the Ministry's focus towards Pacific prosperity, attention in the social sector now shifts towards a greater emphasis on the effectiveness of programmes targeted at Pacific peoples already in place as part of the previous "Reducing Inequalities" strategy. This in turn has enabled the Ministry to focus greater attention on realising the economic potential of Pacific peoples, as underlined by the "Pacific Prosperity" conference held in November 2005.

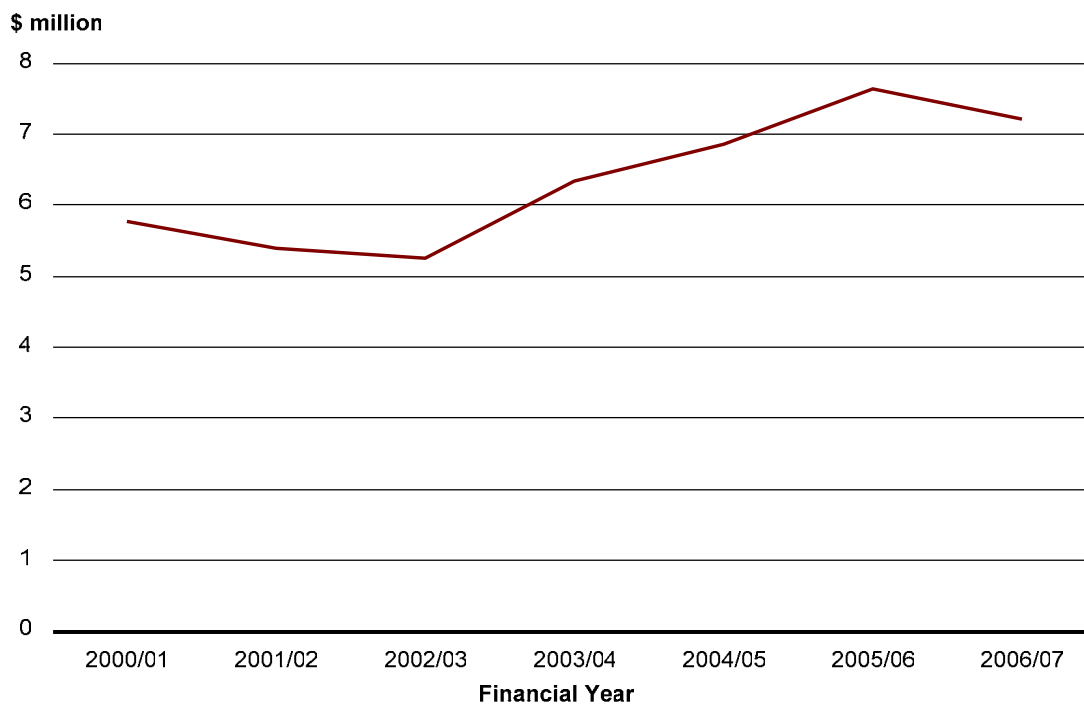
In support of the Government's Key Themes and to achieve its Overall outcome, the Ministry contributes to the following three key Contributing Outcomes:

- Economic development activities realise Pacific potential in New Zealand's economic development.
- New Zealand identity strengthened by vibrant Pacific languages and cultures.
- Effective Government Strategies and Programmes.

## **Part A2 - Trends in Vote**

### *Output Trends: 2000/01 to 2006/07*

The Ministry of Pacific Island Affairs was established on 1 July 1990 and in its early years had policy and service delivery functions. The Ministry was restructured in the 1996 to 1998 years according to Government direction, and now is a policy Ministry that advises and monitors mainstream departments.

**Figure 1** - Trends in Appropriations 2000/01 to 2006/07

Source: Ministry of Pacific Island Affairs

Figure 1 illustrates trends in appropriations for 2000/01 to 2006/07. In 2000/01 the Ministry received additional funding to increase the Ministry's capability to achieve Key Government Goals by increased staff and information systems capacity. A \$100,000 capital contribution was received to meet increased capital requirements in relation to these increases. In addition two non-departmental output classes were established: "Pacific Island Community Workers" to purchase the services of Pacific Island community workers to deliver and achieve outcomes for Pacific capacity building as determined by the Cabinet; and "Special Action Housing Zone" to develop the capacity of Pacific housing groups to enable them to develop Pacific housing initiatives.

A capital contribution of \$500,000 was also received for the Pacific Business Trust to supplement their loan portfolio in the short term until research work was completed on the loans portfolio.

In 2001/02 the non-departmental output class Pacific Island Community Workers was transferred to output class Policy Advice to allow for flexibility in meeting any costs incurred in building the capacity of Pacific communities. The Ministry received a one off transfer from the Ministry of Education to complete a "Pacific Island Music Preservation" project and from the Ministry of Culture and Heritage for the "National Pacific Radio Network". In addition the amount contained in the "Special Action Housing Zone" output class was transferred to Housing New Zealand Corporation to take maximum advantage of Housing New Zealand Corporation's relatively greater experience in dealing with third-sector housing groups.

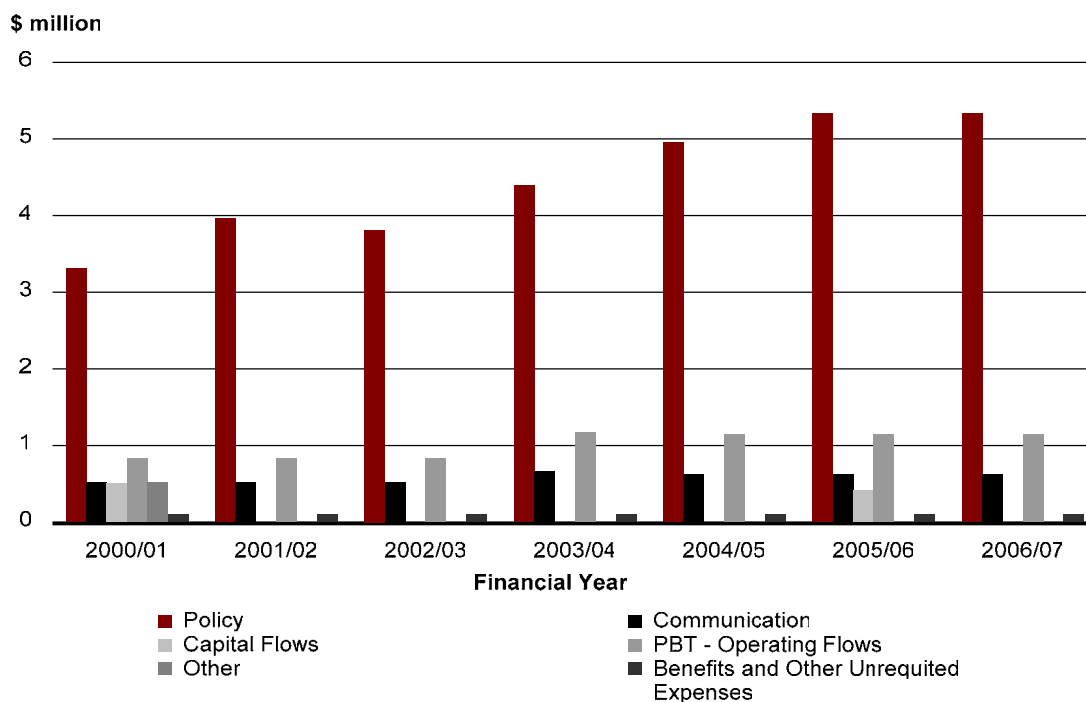
In 2003/04 the Ministry received a one off amount of \$102,000 to enable the Ministry to coordinate and organise the participation of Pacific communities as part of the cultural and social programmes of the Pacific Islands Leaders Forum held in Auckland in August 2003; and \$53,000 to undertake and manage the evaluation of Pacific Capacity Building. In addition the non-departmental output class Promotion and Business Development received an increase in appropriation of \$348,000 to extend and enhance the work of the Pacific Business Trust in promoting the participation of Pacific peoples in New Zealand's economic development.

Following a strategic capability review undertaken in 2003 as directed by Budget Ministers, an increase in baseline allocation of \$1.164 million on an annual basis from 2004/05 and in outyears was approved. For the remainder of 2003/04, an amount of \$582,000 and capital of \$170,000 was allocated towards additional policy, monitoring, evaluation, nominations and human resource expertise and for systems and resources strengthening.

Two events impacted on the baseline in 2005/06. Firstly the holding of a major conference in November 2005 to promote the economic development of Pacific peoples in New Zealand. This was part of the new Pacific Prosperity Strategy which resulted in a one-off increase to output class policy advice of \$350,000. Secondly the relocation of the Wellington head-office in April 2006 resulted in capital of \$418,000 and operating funding of \$67,000. The former to be used on fitout and the latter on relocation costs including rental increase, depreciation and capital charge. Operating funding of \$202,000 will be received in 2006/07 and future years to cover ongoing relocation charges.

A Pacific Language promotion programme aimed at revitalising, preserving and maintaining the Niue, Cook Islands and Tokelau languages in New Zealand commences in F2006/07. This will initially be a three year programme with funding of \$200,000 per year.

**Figure 2** - Trends in Appropriations for 2000/01 to 2006/07



Source: Ministry of Pacific Island Affairs

## New Policy Initiatives by Appropriation

Initiative	Appropriation as shown in Part B	\$000 increase/(decrease)				
		2005/06	2006/07	2007/08	2008/09	2009/10
Relocation funding for depreciation and capital charge	Departmental Output Expense - Policy Advice	20	78	78	78	78
Pacific Language Promotion and Preservation Programme	Departmental Output Expense - Policy Advice		200	200	200	
<b>Total Initiatives</b>		<b>20</b>	<b>278</b>	<b>278</b>	<b>278</b>	<b>78</b>



## Part B - Statement of Appropriations

### Summary of Financial Activity

	2001/02	2002/03	2003/04	2004/05	2005/06		2006/07 Appropriations to be Used				2007/08	2008/09	2009/10	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
<b>Appropriations</b>														
Output Expenses	5,294	5,149	6,238	6,697	7,120	7,120	5,953	-	1,156	-	7,109	7,112	7,115	6,915
Benefits and Other Unrequited Expenses	108	108	108	108	108	108	N/A	N/A	108	-	108	108	108	108
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>5,402</b>	<b>5,257</b>	<b>6,346</b>	<b>6,805</b>	<b>7,228</b>	<b>7,228</b>	<b>5,953</b>	<b>-</b>	<b>1,264</b>	<b>-</b>	<b>7,217</b>	<b>7,220</b>	<b>7,223</b>	<b>7,023</b>
<b>Crown Revenue and Receipts</b>														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
<b>Total Crown Revenue and Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Part B1 - Details of Appropriations

Appropriations	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Departmental Output Expenses (General)</b>							
Communications (M50)	626	-	626	-	626	-	- This output class involves the communication of information and government policy advice to and from Pacific communities through newsletters, public meetings and the Internet and the servicing of the Minister's Pacific Island Advisory Council.
Policy Advice (M50)	5,338	-	5,338	-	5,327	-	- This output class involves policy, monitoring of policy advice and testing of developmental initiatives, in order to advance the capacity of Pacific peoples for self-development and the achievement of their aspirations.
<b>Total Departmental Output Expenses (General)</b>	5,964	-	5,964	-	5,953	-	
<b>Non-Departmental Output Expenses</b>							
Promotions - Business Development (M50)	1,156	-	1,156	-	1,156	-	- This output class involves the purchase of a range of services that will provide opportunities for Pacific peoples to gain the information and skills necessary to succeed in business.
<b>Total Non-Departmental Output Expenses</b>	1,156	-	1,156	-	1,156	-	
<b>Benefits and Other Unrequited Expenses</b>							
Study and Training Awards for Business Development (M50)	100	-	100	-	100	-	- This is for the promotion of positive role models for young Pacific people in New Zealand and the provision of scholarships for further education.
Welfare of Pacific Island People in New Zealand (M50)	8	-	8	-	8	-	- This provides scholarships and seeding grants for projects with objectives falling within the strategic areas identified for the Ministry of Pacific Island Affairs.
<b>Total Benefits and Other Unrequited Expenses</b>	108	-	108	-	108	-	
<b>Total Appropriations</b>	7,228	-	7,228	-	7,217	-	

## Part C - Explanation of Appropriations for Output Expenses

### Part C1 - Departmental Output Expenses

#### *Output Expense - Policy Advice*

This output expense involves the purchase of policy advice by the Minister of Pacific Island Affairs. Integral to this output is the monitoring of policy advice and testing of developmental initiatives, by way of innovative projects, in order to advance the capacity of Pacific peoples for self-development and the achievement of their aspirations.

#### *Output Expense - Communications*

This output expense involves the communication of information and Government policy advice to and from Pacific communities through newsletters, public meetings and the Internet. The output expense also involves the servicing of the Minister's Pacific Island Affairs Advisory Council, which is an important communication medium.

### Part C2 - Non-Departmental Output Expenses

#### *Output Expense - Promotions - Business Development*

This output expense provides for the purchase of promotional outputs designed to encourage Pacific peoples into business and employment. Promotional outputs include:

- business workshops
- Pacific business awards
- servicing business networks
- proactive business development
- research
- website.

#### Quantity, quality and cost

Performance Measure	Performance Standard
<p><b>Quantity</b></p> <p>Promotional activities are targeted at the following groups:</p> <p>Existing Pacific enterprises</p>	<p>Frequency</p> <p>Minimum of 11 business information newsletters circulated to 4,500 contacts per issue.</p> <p>Bi-annual business awards ceremony.</p> <p>Business website itemising PBT services and support.</p> <p>Minimum of 400 businesses to receive direct support.</p> <p>Minimum of 1600 businesses to receive indirect support.</p>

Performance Measure	Performance Standard
Potential Pacific businesses	15 Pacific business related research projects. Minimum of 400 businesses to receive direct support. Minimum of 1,600 businesses to receive indirect support. Data base to exceed 5,000 validated contacts. 15 Business clubs for the year. 5 training workshops to be held. 11 monthly newsletters printed, with circulation of over 4,500 per edition.
<b>Quality</b>	
Target group surveyed	<b>Minimum awareness achieved</b>
Existing Pacific business clients	Individual support available to entire client base. Coverage for all Pacific businesses and resources on database published. Valid sample of balance sheets analysed.
Potential Pacific businesses	Needs analysis completed. All workshops carried out by approved tutors.

**Cost**

This output expense will be provided within the appropriated sum of \$1.156 million (exclusive of GST).

	2005/06 \$000	2006/07 \$000
Non-Departmental Output Expenses	1,156	1,156
<b>Total Non-Departmental Output Expenses</b>	<b>1,156</b>	<b>1,156</b>

**Provider**

Pacific Business Trust.

## Part E - Explanation of Capital Flows

### Part E1 - Explanation of Movements in Departmental Net Asset Schedules

Details of Net Asset Schedule for Ministry of Pacific Island Affairs	Estimated Actual 2005/06 \$000	Projected 2006/07 \$000	Explanation of Projected Movements in 2006/07
Opening Balance	581	999	
Capital Injections	418	-	
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	999	999	

### Part E2 - Statement of Estimated and Forecast Net Worth of Entities Owned

	Balance Date	Estimated Net Worth 2006 \$000	Forecast Net Worth 2007 \$000
<b>Crown Entities:</b>			
Pacific Business Trust	30 June	5,408	5,408