

VOTE *Business Development*

Business Development

Overview

There are no appropriations for Vote Business Development in 2000/2001. Activities are now integrated into Vote Industry and Regional Development.

Terms and Definitions Used

SMEs	Small and medium-sized enterprises
APEC	Asia Pacific Economic Cooperation

Footnotes

Note 1	Not applicable as Crown revenue is not appropriated.
Note 2	Appropriations are stated GST inclusive (where applicable).

Business Development

VOTE MINISTER: Minister for Industry and Regional Development

ADMINISTERING DEPARTMENT: Ministry of Economic Development

The Minister for Economic Development is the Responsible Minister for the Ministry of Economic Development

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote Business Development

There are no appropriations in respect to Vote Business Development in 2000/2001.

Part A2 - Trends in Vote Business Development

Classes of Outputs to be Supplied

The departmental output class levels reflect changes in activities and emphasis over the past five financial years. The refocusing of the business development programme in the 1995/96 financial year placed less emphasis on grant assistance and more on measures to enhance management education and training. Consistent with this, the Ministry of Commerce's policy work has focused increasingly on identifying ways to help overcome barriers to the improvement of business performance. This is in keeping with the need to ensure that New Zealand businesses are globally competitive.

During 1998/99 a revised programme was implemented, focusing on measures to enhance management skills and capability in SMEs, and the provision of information on where to seek business advice and assistance. Delivery of the programme is contracted with a range of local and national providers and replaces the grants scheme. This activity is appropriated as an output appropriation rather than an other expense as the grant scheme was.

Furthermore, an additional one-off amount of \$0.7 million was appropriated in 1998/99 to meet the costs of hosting an APEC SME Ministerial meeting and associated business forum.

\$2.75 million was appropriated in 1999/2000 to meet the establishment costs and interim policy advice costs associated with new Vote Economic Development, and new Vote Industry and Regional Development.

Other Expenses

Following a further review of the business development programme in 1997/98, the Government decided to reshape the programme to enhance its effectiveness. It terminated the business development grants schemes (appropriated as other expenses). The Business Development Boards were disestablished on 31 December 1998, and most grants expired during 1998/99. As noted above, the old grants programme was largely wound up during 1998/99. A small number of grants remain live at 1 July 1999, and provision has been made in the 1999/2000 other expense appropriations to cover expected claims.

Crown Revenue and Receipts

Total Crown revenue and receipts in 1998/99 reflect a one-off increase in capital revenue following the disestablishment of the Business Development Boards and equity being returned to the Crown.

Trends in Vote Business Development - Summary of Appropriations and Crown Revenue

Types of Appropriation	1995/96		1996/97		1997/98		1998/99		1999/2000		2000/01 Appropriations to be Used				
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		
											Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000
Operating Flows															
Classes of Outputs to be Supplied	6,965	6,550	6,975	14,386	18,219	16,725	-	-	-	-	-	-	-	-	-
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	-	-	-	-	-	N/A	N/A	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	N/A	N/A	-	-
Other Expenses	15,587	11,703	10,085	4,593	250	144	4,593	4,593	250	144	-	-	-	-	-
Capital Flows															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	N/A	N/A	-	-
Repayment of Debt	-	-	-	-	-	-	-	-	-	-	-	N/A	N/A	-	-
Total Appropriations	22,552	18,253	17,060	18,979	18,469	16,869	18,979	18,979	18,469	16,869	-	-	-	-	-
Total Crown Revenue and Receipts (see note 1)	2	2	-	589	-	-	589	589	-	-	-	N/A	N/A	N/A	-

Part B - Statement of Appropriations

Part B1 - Details of 2000/01 Appropriations (see note 2)

	1999/2000			2000/01		
	Vote		Estimated Actual	Vote		Other \$000
	Annual \$000	Other \$000		Annual \$000	Other \$000	
Appropriations						
Departmental Output Classes (Mode B Gross)						
D1 Policy Advice: Business Development	4,701	-	3,607	-	-	Description of 2000/01 Appropriations
Total Appropriations for Departmental Output Classes (Mode B Gross)	4,701	-	3,607	-	-	There is no appropriation in 2000/01 as defined in 1999/2000.
Non-Departmental Output Classes						
O1 Delivery of Business Development Programmes	13,518	-	13,118	-	-	There is no appropriation in 2000/01 as defined in 1999/2000.
Total Appropriations for Non-Departmental Output Classes	13,518	-	13,118	-	-	
Other Expenses to be Incurred by the Crown						
Business Capability Improvement Grants	250	-	144	-	-	There is no appropriation in 2000/01 as defined in 1999/2000.
Total Appropriations for Other Expenses to be Incurred by the Crown	250	-	144	-	-	
Total Appropriations	18,469	-	16,869	-	-	

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

There are no appropriations for Vote Business Development in 2000/2001.

Part C2 - Non-Departmental Output Classes

There are no appropriations for Vote Business Development in 2000/2001.

Part D - Explanation of Appropriations for Other Operating Flows

Part D1 - Benefits and Other Unrequited Expenses

There is no appropriation for Part D1.

Part D2 - Borrowing Expenses

There is no appropriation for Part D2.

Part D3 - Other Expenses

There is no appropriation for Part D3.

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

There is no appropriation for Part E1.

Part E2 - Purchase or Development of Capital Assets by the Crown

There is no appropriation for Part E2.

Part E3 - Repayment of Debt

There is no appropriation for Part E3.