

VOTE *Commerce*

Commerce

Overview

Appropriations sought for Vote Commerce in 2000/2001 total \$57.342 million. They are to be applied as follows:

- \$44.445 million (77.5% of the Vote) purchasing services from Ministry of Economic Development including:
 - \$8.609 million for policy advice services
 - \$0.397 million for administering import legislation
 - \$1.621 for policy advice and administration of trade remedies
 - \$8.640 million for registration and granting of intellectual property rights by the Intellectual Property Office and granting of plant variety rights by the Plant Variety Rights Office
 - \$10.292 million for administration of insolvencies
 - \$14.886 million for registration and provision of statutory information.
- Appropriations sought for non-departmental outputs total \$12.191 million (21.3% of the Vote). These relate to the Commerce Commission and its work in the context of the Commerce and Fair Trading Acts, the Securities Commission, and the Accounting Standards Review Board. Details are given under Part C.
- Appropriations sought for non-departmental other expenses total \$0.706 million (1.2% of the Vote). These relate to the Crown's membership in various organisations associated with activities within Vote Commerce.

The Ministry forecasts to collect \$0.369 million of Crown revenue under Vote Commerce in 2000/2001.

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

Terms and Definitions

ANZCERTA	Australia New Zealand Closer Economic Relations Trade Agreement
APEC	Asia Pacific Economic Co-operation
EIRA	Electricity Industry Reform Act 1998
ISO	Industrial Supplies Office
SMEs	Small and medium-sized enterprises
WTO	World Trade Organisation

Footnotes

Note 1	Not applicable as Crown revenue is not appropriated.
Note 2	Appropriations are stated GST inclusive (where applicable).
Note 3	The Ministry of Commerce became the Ministry of Economic Development during 1999/2000. The Minister for Economic Development is now the responsible Minister for the Ministry of Economic Development.

Commerce

VOTE MINISTER: Minister of Commerce and Minister for Information Technology

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 Commerce

Related Government Outcomes

The services to be purchased under Vote: Commerce will contribute to the Government's goal of growing an inclusive, innovative economy for all.

The linkage to that Government goal is that innovative companies and people thrive in an economy where investment and innovation are encouraged by fair investment rules, efficient prices and the prohibition of anti-competitive practices, and where consumers are protected from misleading or deceptive business practices.

Output Classes

The appropriations will enable the Ministry of Economic development to deliver outputs in the following areas:

- strategic and technical policy advice on the creation and maintenance of a regulatory environment, including primary advice on 45 statutes, that provides greater certainty for, and positively encourages, business innovation and growth
- timely assessment of applications for exemption from import duties as defined by the tariff concessions policy
- policy advice in relation to trade remedies, including policy advice relating to international issues and agreements
- policy advice on local government infrastructure issues and the impact of local government policies on business
- policy advice on the impact of environmental and conservation policies on business, including the administration of the Ozone Layer Protection Act (1996)
- the consideration and possible investigation of applications relating to imports and the making of recommendations on the application of trade remedies, such as the imposition of import duties
- services relating to the administration of legislation providing for the protection of intellectual property rights by granting patents under the Patent Act 1953; registering trade marks, designs and geographical indications under the Trade Marks Act 1953, the Designs Act 1953, the Geographical Indications Act 1994 and granting plant variety rights under the Plant Variety Rights Act 1987

- administrative services associated with the management of orders made by the courts initiating personal bankruptcies and company liquidations
- services relating to the registration and provision of a range of documents and information required to be filed on public record by corporate entities, insurance and superannuation funds, issuers of securities and holders of securities over motor vehicles.

In addition, funding is included in this Vote to purchase outputs from the following Crown entities:

- The Commerce Commission, which enforces the Commerce Act 1986 and the Fair Trading Act 1986, which protect the competitive process in New Zealand markets, prohibit misleading or deceptive conduct in trade and require disclosure of information about aspects of consumer and product safety. The Commission also enforces the Electricity Industry Reform Act 1998 (EIRA).
- The Securities Commission, which monitors and advises on practices in New Zealand securities markets.
- The Accounting Standards Review Board, which approves New Zealand financial reporting standards.
- The Takeovers Panel which will enforce the Takeovers Code.

Part A2 - Trends in Vote Commerce

The allocation flows for Vote Commerce are detailed in the trends table.

Classes of Outputs to be Supplied

Classes of outputs expenditure increased significantly from 1995/96 following the transfer of primary responsibility for policy advice on corporate and commercial law from the Department of Justice, and the transfer from Vote Justice of the Commercial Affairs and Motor Vehicle Securities functions for nine months. From 1996/97 a full-year impact is reflected in the results.

At the same time several Crown entities (the Accounting Standards Review Board, the Securities Commission and the Takeovers Panel) were transferred to Vote Commerce along with responsibility for full funding of the subscriptions to the International Copyright and Patent Union.

The changes between 1999/2000 and 2000/2001 mainly reflect a number of movements between Votes following a change in responsibility for the delivery of services:

- IT policy (\$0.628 million) has been transferred in from Vote Communications reflecting more appropriately the wider role that IT plays in the economy. Additional outputs under this responsibility will be purchased in 2000/01 to enhance policy advice to Government on e-commerce issues and on the ongoing harmonisation of New Zealand law with that of our trading partners in respect of electronic commerce.

- Industrial Supplies Office outputs (\$0.430 million) and Invest New Zealand incubator initiatives (approximately \$1 million appropriated in 1999/00) will be delivered via Vote Industry and Regional Development from 1 July 2000.

An increase in funding to enable the Commerce Commission to undertake enforcement action at short notice and increase its enforcement role is also reflected in the differences between 1999/00 and 2000/01. Securities Commission funding has also been maintained for the same reason.

Other Expenses

The major increase in 1997/98 reflects one-off compensation payments following the tariff removal for motor vehicles. 1998/99 expenses include a one-off increase in departmental costs following the recognition and measurement of liabilities arising from employment entitlements in unvested leave liabilities.

Crown Revenue and Receipts

Variations reflect the nature of receipts classified under these line items. Penalties imposed under the Commerce Act and receipts collected under the Proceeds of Crime Act 1991 vary between years. Commerce Act 1986 penalties imposed in 1996/97 and 1998/99 are the major contributors to the fluctuation in these years.

During 1999/00 a portion of capital previously invested in the Greenstone Fund was returned to the Crown.

Capital Contributions

Between 1994/95 and 1996/97 the Government contributed to the Greenstone Fund, set up to provide a new source of risk capital for business finance.

An additional one-off capital contribution of \$6.323 million was also appropriated in 1995/96 to the Ministry of Economic Development for the transfer of the operations of the Commercial Affairs Division from the Department of Justice.

No capital contributions have been made to Vote Commerce since 1996/97.

Strategic Issues

New Zealand business today operates in a highly competitive domestic and international environment. Over the last 15 years policy has focussed on creating an overall economic environment in which business can grow through policies aimed at low inflation, low interest rates, ensuring sound legal and competition frameworks that support innovation. There is a realisation, however, that these policies in themselves are not sufficient and that a more comprehensive approach is needed.

An increasing number of businesses has shifted towards exploring and exploiting new international market opportunities. The future of most businesses over the next fifteen years, either directly or indirectly, will be tied to their ability to integrate into the global economy. Businesses need to be supported by coherent economic policies, including regulatory approaches that minimise uncertainty and promote efficiency and cost-effective development. Almost all areas of economic policy now encompass a strong international dimension with distinctions between domestic and external policy considerations becoming increasingly blurred in the face of globalisation.

In reiterating its strong commitment to promote business growth, the Government has also clearly signalled in its high level goals its desire to see a more coordinated and integrated approach to advancing economic, social and environmental objectives in the interest of achieving a more inclusive society for all New Zealanders.

Against this background the key strategic issues for Vote Commerce are to:

- continue to maintain a high quality and improved business law and property rights regime, consistent with ensuring alignment with international developments
- ensure effective competition throughout the economy and prevent anti-competitive behaviour, cognisant of the tension between competitive and cooperative approaches
- improve the quality of regulation and remove or minimise regulatory burden and costs on business
- promote on-going improvement in infrastructure and service provision in the interest of all New Zealanders
- contribute to the achievement of meeting government's social, environmental and business objectives
- ensure that tariff policy meets the balanced objectives of allowing adequate domestic adjustment periods and supporting an open competitive economy
- encourage the improvement of international regulatory regimes, including technical barriers to trade, that continue to hinder trade whether by accident or design
- facilitate and advance e-commerce capability in business and government.

Key elements of the work programme include:

- organising a public consultation through an e-commerce summit in October 2000
- developing and publishing an e-commerce strategy for New Zealand
- the introduction of a new Trade Mark Bill to Parliament
- approval of the Takeovers Code which will define the rights and obligations of those affected by a takeover
- supporting the passage of a Bill amending the Commerce Act 1993 to increase the powers of the Commerce Commission to deal with anti-competitive behaviour.

Trends in Vote Commerce - Summary of Appropriations and Crown Revenue

Types of Appropriation	2000/01 Appropriations to be Used										
	1995/96	1996/97	1997/98	1998/99	1999/2000		By the Department Administering the Vote			For Non-Departmental Transactions	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	Total \$000
Operating Flows											
Classes of Outputs to be Supplied	50,519	55,916	54,939	56,792	58,187	56,724	44,445	-	12,191	-	56,636
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Other Expenses	507	567	10,693	432	706	443	-	-	706	-	706
Capital Flows											
Capital Contributions	7,243	924	-	-	-	-	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-
Total Appropriations	58,269	57,407	65,632	57,224	58,893	57,167	44,445	-	12,897	-	57,342
Total Crown Revenue and Receipts (see note 1)	156	2,470	563	7,489	2,001	2,186	N/A	N/A	N/A	N/A	369

Part B - Statement of Appropriations

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

Appropriations	1999/2000			2000/01		
	Vote		Estimated Actual	Vote		Other \$000
	Annual \$000	Other \$000		Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)						
D1 Policy Advice: Business and Competition	9,652	-	8,316	8,609	-	-
D2 Administration of Import Legislation	397	-	362	397	-	-
D3 Policy Advice and Administration of Trade Remedies	1,643	-	1,643	1,621	-	-
D4 Registration and Granting of Intellectual Property Rights	8,921	-	8,920	8,640	-	-
D5 Industrial Supplies Office	458	-	458	-	-	-
D6 Administration of Insolvencies	10,365	-	10,253	10,292	-	-
D7 Registration and Provision of Statutory Information	15,179	-	15,200	14,886	-	-
Total Appropriations for Departmental Output Classes (Mode B Gross)	46,615	-	45,152	44,445	-	-
						Description of 2000/01 Appropriations
						Policy advice on business legal framework; competition law policy; intellectual property rights; the impact of environmental issues; IT; tariff and border protection policies; and local government infrastructure issues.
						Assessing applications by importers to be exempted from import duties under the tariff concessions policy.
						Policy advice in relation to trade remedies. Investigating complaints concerning imports, and recommendations regarding trade remedies.
						Administering legislation providing for the protection of intellectual property rights by the granting of patents and plant variety rights, the registration of trade marks, designs and geographical indicators.
						No appropriation is sought in 2000/01.
						Managing insolvencies and proceeds of crime orders.
						Registering and providing information services in respect of all corporate entities, investment schemes and motor vehicle securities.
						Refer to Part C1 for a full description.

Part B1 - Details of 2000/01 Appropriations (continued)

Appropriations	1999/2000				2000/01	
	Vote		Estimated Actual		Vote	
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000
Non-Departmental Output Classes						
O1 Approval and Review of Financial Reporting Standards	134	-	134	-	134	-
O2 Performance of Securities Market Functions	2,550	-	2,550	-	2,550	-
O3 Commerce Act and Fair Trading Act Enforcement and Adjudication	8,325	-	8,325	-	9,507	-
O4 Monitoring and Price Control of Electricity Lines Businesses	563	-	563	-	-	-
Total Appropriations for Non-Departmental Output Classes	11,572	-	11,572	-	12,191	-
Other Expenses to be Incurred by the Crown						
Contributions to International Organisations	700	-	437	-	700	-
Risk Capital Fund - Directors' fees	6	-	6	-	6	-
Total Appropriations for Other Expenses to be Incurred by the Crown	706	-	443	-	706	-
Total Appropriations	58,893	-	57,167	-	57,342	-

Description of 2000/01 Appropriations

Reviewing and approving financial reporting standards.

The performance of statutory functions by the Securities Commission in relation to the Securities Act 1978.

The promotion of competition and fair trading through the administration, enforcement and adjudication activities undertaken by the Commerce Commission.

No appropriation sought in 2000/01.

Refer to Part C2 for a full description.

Annual fee for New Zealand's membership of: International Copyright and Patent Union; the International Patent Documentation Centre; International Standards Association; International Union for the Protection of New Plant Varieties; and a share of New Zealand's annual subscription to the Basel Convention.

Payment of directors' fees for attendance at meetings.

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

For more detailed analysis of Departmental Output Classes, including financial and non-financial performance measures, please refer to the Ministry of Economic Development's 2000/2001 Departmental Forecast Report (DFR).

Output Class D1 - Policy Advice: Business and Competition

Description

The Minister of Commerce will purchase strategic and technical policy advice on the creation and maintenance of a regulatory environment that provides greater certainty for, and positively encourages, business innovation and growth. This will include policy advice on:

- the costs to business of compliance with laws and regulations
- corporate and commercial law, including the competition, capital markets, insolvency and intellectual property laws
- the impact of environmental and conservation policies on business
- the impact of local government policies on business
- tariff and border
- government purchasing
- the standards, accreditation and certification infrastructure
- technical developments and regulatory frameworks relevant to electronic commerce
- other issues affecting the environment for business
- operation of Crown entities:
 - Accounting Standards Review Board
 - Testing Laboratory Registration Council
 - Commerce Commission
 - Standards Council
 - Takeovers Panel
 - Securities Commission.

Outputs within this class are policy advice on:

- the drivers of business costs
- reductions in compliance costs
- local government and its infrastructure

- environmental policy including New Zealand's obligations under the Basel Convention
- corporate and commercial law
- intellectual property
- competition policy and law
- international economic and regulatory frameworks that support the interests of New Zealand exporters and recognise the needs of domestic businesses
- standards and conformance
- tariff and tariff concessions
- information technology and electronic commerce.

Output Class D2 - Administration of Import Legislation

Description

The Minister of Commerce will purchase timely assessment of applications for exemption from import duties as defined by the tariff concessions policy.

The output in this class is administration of tariff concessions.

Output Class D3 - Policy Advice and Administration of Trade Remedies

Description

The Minister of Commerce will purchase policy advice in relation to trade remedies, including policy advice relating to international issues and agreement.

The Minister will also purchase the carrying out of investigations of applications relating to imports and the making of recommendations on the application of trade remedies, such as the imposition of import duties. This service is conducted under the Temporary Safeguard Authorities Act 1987 and the Dumping and Countervailing Duties Act 1988 in relation to dumped and subsidised goods.

Outputs in this class are:

- Policy advice.
- Consideration of dumping and countervailing applications.
- Investigation of dumping and countervailing cases.
- Investigation of trade remedies applications.

Output Class D4 - Registration and Granting of Intellectual Property Rights

Description

The Minister of Commerce will purchase services relating to the administration of legislation providing for the protection of intellectual property rights by: granting patents under the Patent Act 1953; registering trade marks, designs and geographical indications under the Trademarks Act 1953, the Designs Act 1953 and the Geographical Indications Act 1994; and granting plant variety rights under the Plant Variety Rights Act 1987.

Outputs within this class are:

- Granting of patents and registration of trademarks, designs and geographical indications by the Intellectual Property Office of New Zealand.
- Granting of plant variety rights by the Plant Variety Rights Office.

Output Class D6 - Administration of Insolvencies

Description

The Minister of Commerce will purchase administrative services associated with the management of orders made by the courts initiating personal bankruptcies and company liquidations. The purchase of administrative services relating to orders under the Proceeds of Crime Act 1991 is also included in this output class.

Outputs in this class are:

- bankruptcies and liquidations administered
- proceeds of crime orders administered.

Output Class D7 - Registration and Provision of Statutory Information

Description

This output class provides services relating to the registration and provision of a range of documents and information required to be filed on a public record by corporate entities, insurance and superannuation funds, issuers of securities and holders of securities over motor vehicles.

Outputs in this class are:

- Companies Office services
- Insurance and Superannuation Unit services
- Motor Vehicles Securities Register services
- Personal Property Securities Register services.

Part C2 - Non-Departmental Output Classes

Output Class 01 - Approval and Review of Financial Reporting Standards

Description

The Minister of Commerce will purchase services from the Accounting Standards Review Board to consider, and to approve as the Board considers appropriate, financial reporting standards and amendments to financial reporting standards that are submitted to it.

Quantity, quality, timeliness and cost

The Minister of Commerce expects the following:

Performance Measures	2000/2001 Performance Standards
<u>Quantity</u>	
Number of applications for standards.	2 – 3 (2 – 3)
Number of applications for exposure drafts.	2 – 3 (6 - 8)
<u>Quality</u>	
Applications considered in accordance with procedural requirements (including the rules of natural justice and fairness and with all other requirements of law) so that no decisions of the Board are challenged on the basis of failure of the Board to comply with procedural requirements.	100% (100%)
<u>Timeliness</u>	
All applications received will be considered at a meeting of the Board within 2 months.	100% (100%)
All applications will be either approved or declined within 4 months of receipt.	100% (100%)

Cost

2000/01	Total output class to be provided within (GST inclusive)	\$134,000
1999/00	Total output class to be provided within (GST inclusive)	\$134,000

Provider

Accounting Standards Review Board.

Output Class O2 - Performance of Securities Market Functions

Description

The Minister of Commerce will purchase the performance of the following functions by the Securities Commission:

- Exemptions - considering and deciding on applications for exemptions from the provisions of the Securities Act and Regulations.
- Authorisations - considering and deciding on applications for authorisation of market participants, for example futures exchanges and dealers, trustees and statutory supervisors.
- Enforcement - maintaining oversight of securities market activity and intervening in the interests of investors in accordance with statutory powers.
- Reform - reviewing securities law and practice and making recommendations for reform.
- International Liaison - promoting New Zealand as a well-regulated country. Keeping abreast of developments in global standard setting and contributing the Commission's view to this process.
- Public Understanding - promoting public understanding of the law and practice of securities.

Quantity, quality, timeliness and cost

Performance Measures	2000/2001 Performance Standards
<u>Exemptions</u>	
Quantity	
Consider applications for exemption from the Securities Act and Regulations.	80
Review existing exemption notices.	As required.
Initiate special review projects relating to Commission policy on existing or potential new exemptions.	2
Quality	
Proportion of notices issued in accordance with the law including and, where appropriate, the rules of natural justice.	100%
Timeliness	
Decisions made within timeframe agreed with applicants.	As agreed with applicants.
<u>Authorisations</u>	
Quantity	
Consider applications for authorisation of market participants.	6

Performance Measures	2000/2001 Performance Standards
<p>Quality</p> <p>Proportion of notices issued in accordance with the law including and, where appropriate, the rules of natural justice.</p> <p>Timeliness</p> <p>Decisions made within timeframe agreed with applicants.</p>	<p>100%</p> <p>As agreed with applicants.</p>
<p><u>Enforcement</u></p> <p>Quantity</p> <p>Undertake surveillance or enforcement inquiries with focus on insider trading and investment advisers.</p> <p>Major enforcement inquiries commenced.</p> <p>Cases to the High Court.</p> <p>Quality</p> <p>Enforcement action taken in accordance with the law.</p> <p>Timeliness</p> <p>Complete enforcement work promptly.</p>	<p>60</p> <p>2</p> <p>1</p> <p>100%</p> <p>The Commission will endeavour to complete its enforcement work in a way that minimises the resources committed by both market participants and the Commission.</p> <p>It will meet agreed timetables for work undertaken on behalf of overseas enforcement agencies.</p>
<p><u>Reform</u></p> <p>Quantity and quality</p> <p>Make recommendations for securities law reform and market practice in accordance with obligations under the Securities Act 1978 and other relevant legislation.</p> <p>Participate as required on projects and reviews with the Ministry of Economic Development, other government departments and interested parties.</p> <p>Timeliness</p> <p>Provide information and responses to the Ministry of Economic Development and others within agreed timeframes.</p>	<p>The Commission will comply with its obligations under the Securities Act 1978 and with other relevant legislation. It will base its work on accurate research into, and analysis of, the existing law and practice.</p> <p>100%</p>

<u>International Liaison</u>	
Quantity and quality Participate actively in the work of IOSCO's Presidents Committee, Asia Pacific Regional Committee and Implementation Committee on Objectives and Principles of Securities Regulations. The Commission will meet regularly with overseas institutional investors.	The Commission will aim to present itself as a constructive and co-operative member of the international community of regulators. Any views expressed to IOSCO will take into account the relevant New Zealand values and principles.
Timeliness Attendance at meetings and responses to committees provided within agreed timeframes.	100%
Quantity, quality and timeliness Publish "The Bulletin", a publication designed to provide up to date and relevant information about securities market practice and law.	4 times a year
Receive 1000 miscellaneous inquiries from members of the public.	Respond to inquiries within 5 working days of receipt.

Cost

2000/01	Total output class to be provided within (GST inclusive)	\$2,550,000
1999/00	Total output class to be provided within (GST inclusive)	\$2,550,000

Provider

Securities Commission.

Output Class 03 – Commerce Act and Fair Trading Act Enforcement and Adjudication

Description

The Minister of Commerce will purchase the promotion of competition and fair trading through the enforcement and adjudication activities undertaken by the Commerce Commission under the Commerce Act 1986, the Fair Trading Act 1986 and the Electricity Industry Reform Act 1998 (EIRA).

Activities include:

- enforcing the Commerce Act's prohibitions relating to restrictive trade practices and business acquisitions
- undertaking adjudication activities in relation to clearance or authorisation of business acquisitions, or authorisation of trade practices under the Commerce Act, and consideration of applications for exemptions under the EIRA
- enforcing the provisions of the Fair Trading Act which prohibit certain misleading or deceptive conduct and practices in trade and require compliance with Consumer Information and Product Safety Standards
- enforcing the separation of electricity lines and energy businesses as required by the EIRA

- promoting public awareness of the Acts the Commission enforces
- reporting on the application of price controls and implementing such controls as required.

Quantity, quality, timeliness and cost

Where appropriate, comparative targets for the previous year are shown in parentheses.

Performance Measures	2000/01 Performance Standards
<u>Quantity</u>	
Commerce Act and EIRA Enforcement	
Complaints and inquiries received.	2,400 (4,000)
Investigations commenced.	60 (60)
Warnings and settlements implemented.	18 (18)
Cases and appeals filed.	4 (6)
Fair Trading Act Enforcement	
Complaints and inquiries received.	12,000 (14,000)
General investigations commenced.	300 (N/A)
Standards investigations commenced.	50 (N/A)
Warnings and settlements implemented.	200 (270)
Cases and appeals filed.	35 (30)
Commerce Act and EIRA Adjudication	
Clearance applications received.	30 (28)
Business acquisition authorisation application received.	2 (2)
Restrictive trade practice authorisation applications received.	2 (2)
EIRA exemption applications received.	2 (6)
Commerce Act Price Monitoring and Control	
Price control enquiries conducted.	1(1)
<u>Quality</u>	
Proportion of Commission investigations meeting relevant quality standard	100%
Judgments with no adverse comment on Commission's case	100%
<u>Timeliness</u>	
Decisions made within statutory time limits.	100%
Average complaint assessment time.	3 days (3 days)
Time between Commission approval and initiation of proceedings.	Complex matters 42 days (42 days) Routine matters 28 days (28 days)

Cost

2000/01	Total output class to be provided within (GST inclusive)	\$9,507,000
1999/00	Total output class to be provided within (GST inclusive)	\$8,325,000

Provider

Commerce Commission

Part D - Explanation of Appropriations for Other Operating Flows

Part D1 - Benefits and Other Unrequited Expenses

There is no appropriation for Benefits and Other Unrequited Expenses.

Part D2 - Borrowing Expenses

There is no appropriation for Borrowing Expenses.

Part D3 - Other Expenses

Information on these appropriations is provided in Part B1.

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

There is no appropriation for Capital Contributions.

Net Worth of Entities Owned

Statement of Estimated and Forecast Net Worth

	Balance Date	Estimated Net Worth 2000 \$ million	Forecast Net Worth 2001 \$ million
Ministry of Commerce (see note 3)	30 June	-	-
Crown Entities:			
Standards Council	30 June	1.0	1.0
Testing Laboratory Registration Council (TELARC)	30 June	3.9	3.9
Commerce Commission	30 June	4.1	4.1
Securities Commission	30 June	0.5	0.5
Accounting Standards Review Board	30 June	0	0
Takeovers Panel	30 June	0	0

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

There is no appropriation for the Purchase or Development of Capital Assets by the Crown.

Part E3 - Repayment of Debt

There is no appropriation for the Repayment of Debt.

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	1999/2000		2000/01	Description of 2000/01 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Current Revenue				
Non-Tax Revenue				
Accounting Standards Review Board	119	119	119	Recovery of costs from fees payable under section 5 of the Financial Reporting Order 1994.
Commerce Act Penalty	132	517	-	Penalties imposed by the Commerce Commission.
Proceeds of Crime	900	400	250	Revenue collected under Proceeds of Crime Act 1991.
Total Non-Tax Revenue	1,151	1,036	369	
Total Current Revenue	1,151	1,036	369	
Capital Receipts				
Return of Capital Invested	850	1,150	-	Return of capital invested.
Total Capital Receipts	850	1,150	-	
Total Crown Revenue and Receipts	2,001	2,186	369	