

VOTE *Pacific* *Island Affairs*

Pacific Island Affairs

Overview

Appropriations (excluding capital) sought for Vote Pacific Island Affairs in 2001/02 total \$6.160 million. This is intended to be spent as follows:

- \$4.343 million (71% of the Vote) on the purchase of policy advice, evaluation, monitoring and piloting of innovative programmes.
- \$579,000 (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.
- \$930,000 (15% 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 (2% of the Vote) on study and training awards for business development and scholarships.
- \$200,000 (3% of the Vote) to develop the capacity of Pacific housing groups to enable them to develop Pacific housing initiatives.

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

Pacific Island Affairs

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 Pacific Island Affairs

Objectives

The Minister, through Vote Pacific Island Affairs, seeks to promote the development of Pacific peoples in New Zealand so that they can participate and contribute fully to New Zealand's social, cultural and economic life. The appropriations to Vote Pacific Island Affairs make an important contribution to the Key Government Goals. The Ministry will use the appropriations to:

- provide policy advice that seeks to improve social and economic outcomes for Pacific peoples
- monitor service delivery to Pacific peoples and encourage other government agencies to develop interventions that are effective for Pacific peoples
- disseminate information and consult with Pacific communities
- research and facilitate innovative programmes and pilots to contribute to policy development.

The Ministry supports all the Key Government Goals with culturally appropriate policies and procedures, which influence the mainstream delivery agencies. However, the Ministry is primarily committed to assisting the Government in achieving its Key Goal to reduce inequalities in Health, Education, Employment and Housing.

In addition to contributing to the Key Government Goals, the Ministry promotes the wider Government objective of social cohesion. The primary purpose of the Ministry is to enhance the involvement and participation of Pacific peoples in the future of their country and to strengthen Pacific communities in New Zealand.

Output Classes

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

- Policy Advice
- Communication
- Promotions - Business Development
- Special Action Housing Zone.

Links between the Output Classes and the Government Outcomes

The links between the Key Government Goals and the classes of outputs being purchased under Vote Pacific Island Affairs are:

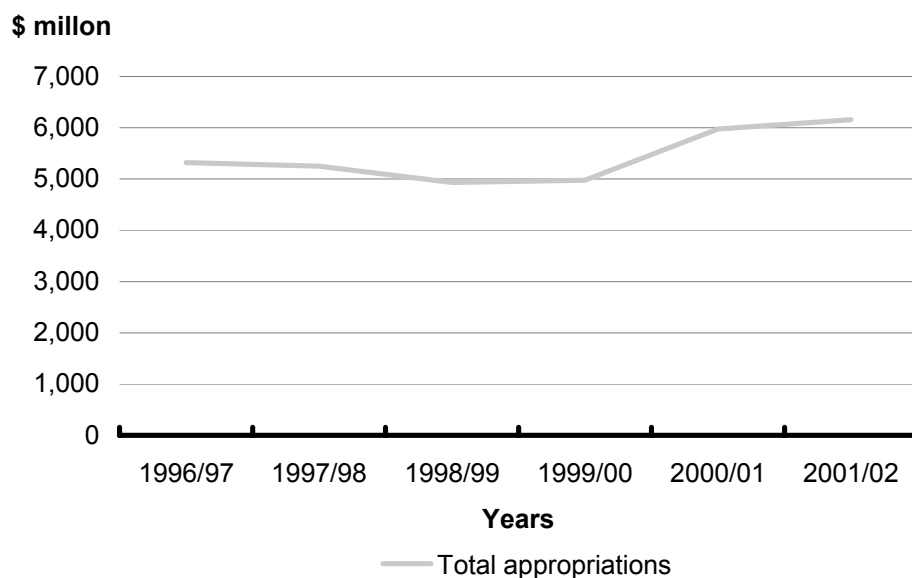
| Output Classes | Related Outcomes |
|-----------------------------------|--|
| Policy Advice | Contributes to the Key Government Goals for reducing inequalities in Health, Education, Employment and Housing through improved models for realising the potential of Pacific peoples. |
| Communications | Contributes to the Key Government Goals for reducing inequalities in Health, Education, Employment and Housing through increased participation of Pacific peoples in decision-making. |
| Promotions - Business Development | Contributes to the Key Government Goals for reducing inequalities in Health, Education, Employment and Housing through the raising of Pacific peoples' skill levels. |
| Special Action Housing Zone | Contributes to the Key Government Goals for reducing inequalities in Housing through capacity building. |

Part A2 - Trends for Vote Pacific Island Affairs

Output Trends: 1996/97 to 2001/02

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 mainstream departments.

Figure 1 - Trends in Appropriations 1996/97 to 2001/2002



Source: Ministry of Pacific Island Affairs

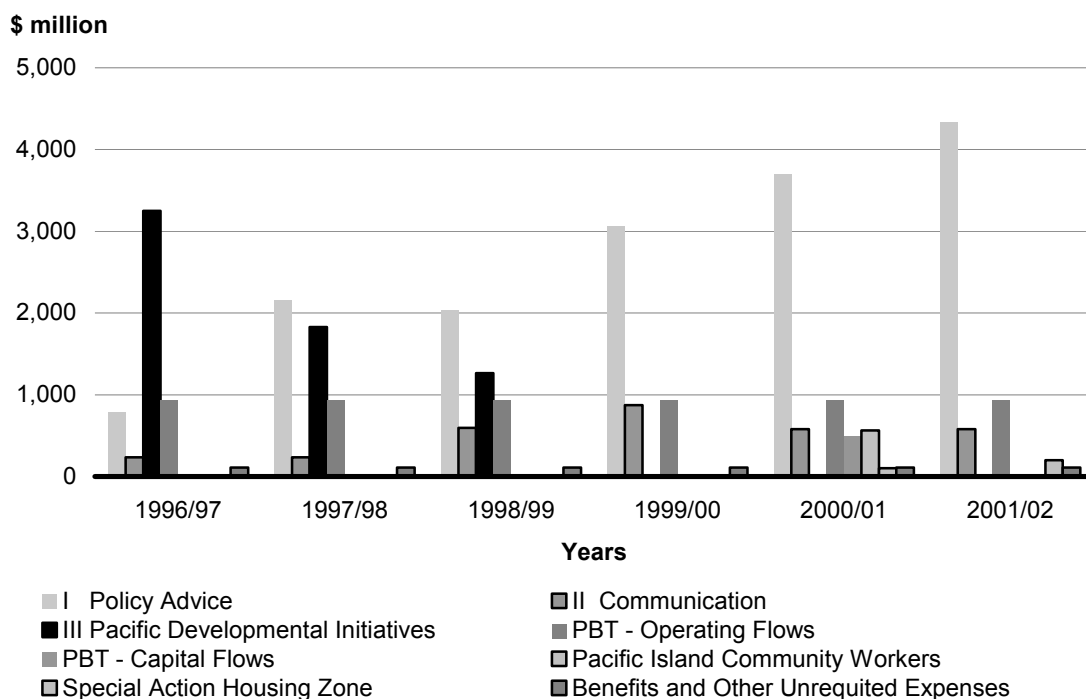
Figure 1 illustrates trends in appropriations for 1996/97 to 2001/02. In 1996/97 the Ministry began restructuring its activities in order to enhance its capability to monitor and provide advice to Ministers on the effectiveness of service delivery to Pacific peoples. The restructuring was reflected with an increase in the appropriation for output class 1 Policy Advice, by way of a fiscally neutral adjustment from output class 3 Pacific Island Developmental Initiatives. The Ministry has reduced its direct involvement in the provision of programme delivery services, and transferred these functions to mainstream agencies.

In 1999/00 the Ministry changed the name of output class 2 from Advisory and Liaison Services to Communications to better reflect its communication role in the Ministry. Output class 3 Pacific Developmental Initiatives was combined with output class 1 Policy Advice to reflect the Government's direction that the Ministry becomes a policy Ministry. The Ministry also transferred the Minister's Pacific Island Affairs Advisory Council Vote from output class 1 Policy Advice to output class 2 Communications, which is a more logical place for it to be.

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. 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.

In 2001/02 the non-departmental output class Pacific Island Community Workers will be transferred to output class 1 Policy Advice to allow for flexibility in meeting any costs incurred in building the capacity of Pacific communities. In addition the Ministry will receive a one off transfer from the Ministry of Education to complete a “Pacific Island Music Preservation” project.

Figure 2 - Trends in Appropriations for 1996/97 to 2001/02



Source: Ministry of Pacific Island Affairs

Trends in Vote Pacific Island Affairs - Summary of Appropriations and Crown Revenue

| Types of Appropriation | 2001/02 Appropriations to be Used | | | | | | | | | | |
|---|-----------------------------------|--------------|--------------|--------------|--------------|------------------------|--|-------------|--------------|-----------------------------------|-------------|
| | 1996/97 | 1997/98 | 1998/99 | 1999/2000 | 2000/01 | | 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 | 5,210 | 5,146 | 4,917 | 4,884 | 5,870 | 5,870 | 4,922 | - | 1,130 | - | 6,052 |
| Benefits and Other Unrequited Expenses | 108 | 108 | 108 | 108 | 108 | 108 | N/A | N/A | 108 | - | 108 |
| Borrowing Expenses | - | - | - | - | - | - | N/A | N/A | - | - | - |
| Other Expenses | - | - | - | - | - | - | - | - | - | - | - |
| Capital Flows | | | | | | | | | | | |
| Capital Contributions | - | - | - | - | 600 | 600 | - | - | - | - | - |
| Purchase or Development of Capital Assets | - | - | - | - | - | - | N/A | N/A | - | - | - |
| Repayment of Debt | - | - | - | - | - | - | N/A | N/A | - | - | - |
| Total Appropriations | 5,318 | 5,254 | 5,025 | 4,992 | 6,578 | 6,578 | 4,922 | - | 1,238 | - | 6,160 |
| Total Crown Revenue and Receipts | - | - | - | - | - | - | N/A | N/A | N/A | N/A | - |

Part B - Statement of Appropriations

Part B1 - Details of 2000/01 Appropriations

| | 2000/01 | | | 2001/02 | | |
|--|--------------|-------------|------------------|--------------|-------------|--|
| | Vote | | Estimated Actual | Vote | | Other \$000 |
| | Annual \$000 | Other \$000 | | Annual \$000 | Other \$000 | |
| Appropriations | | | | | | |
| Departmental Output Classes (Mode B Gross) | | | | | | |
| D1 Policy Advice | 3,698 | - | 3,698 | 4,343 | - | Description of 2001/02 Appropriations |
| D2 Communications | 579 | - | 579 | 579 | - | This output class involves the purchase of policy advice by the Minister of Pacific Island Affairs. Integral to this output is the evaluation and monitoring of policy advice and testing of developmental initiatives, by way of pilot programmes, in order to advance the capacity of Pacific peoples for self-development and the achievement of their aspirations. |
| | | | | | | This output class involves the communication of information and government policy advice to and from Pacific communities through newsletters, public meetings and the Internet. The output class also involves the servicing of the Minister's Pacific Island Advisory Council which is an important communication medium. |
| Total Appropriations for Departmental Output Classes (Mode B Gross) | 4,277 | - | 4,277 | 4,922 | - | |
| Non-Departmental Output Classes | | | | | | |
| O1 Promotions - Business Development | 930 | - | 930 | 930 | - | 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. |
| O2 Special Action Housing Zone | 100 | - | 100 | 200 | - | This output class involves the development of the capacity of Pacific housing groups to enable them to develop Pacific housing initiatives. |
| Pacific Island Community Workers | 563 | - | 563 | - | - | This output class has been transferred to output class D1 Policy Advice. |

| | | | | | | |
|---|-------|---|-------|---|-------|---|
| Total Appropriations for Non-Departmental Output Classes | 1,593 | - | 1,593 | - | 1,130 | - |
| Benefits and Other Unrequited Expenses | | | | | | |
| Study and Training Awards for Business Development | 100 | - | 100 | - | 100 | - |
| Welfare of Pacific Island People in New Zealand | 8 | - | 8 | - | 8 | - |
| Total Appropriations for Benefits and Other Unrequited Expenses | 108 | - | 108 | - | 108 | - |
| Capital Contributions to the Department | | | | | | |
| Capital Investment | 100 | - | 100 | - | - | - |
| Total Appropriations for Capital Contributions to the Department | 100 | - | 100 | - | - | - |
| Capital Contributions to Other Persons or Organisations | | | | | | |
| Pacific Island Business Development Trust | 500 | - | 500 | - | - | - |
| Total Appropriations for Capital Contributions to Other Persons or Organisations | 500 | - | 500 | - | - | - |
| Total Appropriations | 6,578 | - | 6,578 | - | 6,160 | - |

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

The output classes to be purchased by the Minister include:

- policy advice including evaluation, monitoring and testing developmental initiatives; and
- communication including ministerial servicing and support for the Minister of Pacific Island Affairs Advisory Council.

For departmental performance information for each output class refer to the Ministry's Departmental Forecast Report.

Output Class D1 - Policy Advice

Description

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

Output Class D2 - Communications

Description

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

Part C2 - Non-Departmental Output Classes

Output Class O1 – Promotions - Business Development

Description

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

- publications
- business workshops
- Pacific business awards
- Pacific art awards
- servicing business networks
- research and development.

Quantity, quality and cost

| Quantity | |
|---|--|
| Promotional activities are targeted at the following groups: | Frequency |
| Existing Pacific enterprises | Minimum of 10 business information newsletters. Annual awards ceremony. Annual business information directory. |
| Potential Pacific businesses | Minimum of 100 businesses receive individual support. Minimum of 2 research projects. Over 50 business plans analysed. Over 30 introductions to business. Up to 3 resource packages developed. |
| Pacific students | Annual achievers publication. Annual art exhibition. |
| Quality | |
| Target group surveyed | Minimum awareness achieved |
| Existing Pacific business clients | Individual support available to all 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. |
| Pacific students | Publication promoted to all secondary schools with over half of the roll being Pacific students. |

Cost

This output class will be provided within the appropriated sum of \$930,000 (inclusive of GST).

| | | |
|---------|--|-----------|
| 2001/02 | Total output class to be provided within (GST inclusive) | \$930,000 |
| 2000/01 | Total output class to be provided within (GST inclusive) | \$930,000 |

Provider

Pacific Business Trust.

*Output Class O2 – Special Action Housing Zone***Description**

This output class provides for the development of the capacity of Pacific housing groups to enable them to develop Pacific housing initiatives.

Quantity, quality and cost

| Performance Criteria | Performance Standard |
|--|---|
| Quantity | |
| Develop Pacific community housing groups. | 2 Housing groups established in Auckland. |
| Quality | |
| Housing proposals will be assessed against operating and capital funding criteria. | Reported as part of quarterly monitoring reports to the Department of Prime Minister and Cabinet. |

Cost

This output class will be provided within the appropriated sum of \$200,000 (inclusive of GST).

| | | |
|---------|--|-----------|
| 2001/02 | Total output class to be provided within (GST inclusive) | \$200,000 |
| 2000/01 | Total output class to be provided within (GST inclusive) | \$100,000 |

Provider

The Ministry of Pacific Island Affairs will contract out the services to appropriate providers.

*Output Class – Pacific Island Community Workers***Description**

This output class has been transfer to departmental output class D1 Policy Advice.

Cost

This output class will be provided within the appropriated sum of \$0 (inclusive of GST).

| | | |
|---------|--|-----------|
| 2001/02 | Total output class to be provided within (GST inclusive) | \$0 |
| 2000/01 | Total output class to be provided within (GST inclusive) | \$563,000 |

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

Information on these appropriations is provided in Part B1.

Net Worth of Entities Owned

Statement of Estimated and Forecast Net Worth

| | Balance Date | Estimated Net Worth 2001 \$ million | Forecast Net Worth 2002 \$ million |
|------------------------------------|--------------|--|---------------------------------------|
| Ministry of Pacific Island Affairs | 30 June | 0.417 | 0.417 |
| Crown Entities: | | | |
| Pacific Business Trust | 30 June | 11.2 | 11.2 |

The increase in net worth in the Pacific Business Trust is due to a capital contribution of \$500,000 to enable the Pacific Business Trust to increase lending capabilities.

Part G - Statement of Reconciliations

G1 - Changes in Appropriation

- From 2001/02 the non-departmental output class O2 Pacific Island Community Workers has been transferred to departmental output class D1 Policy Advice. This is to allow for flexibility in meeting any costs incurred in relation to building the capacity of Pacific communities.

The following tables illustrate the financial impact of these changes between the 2000/2001 and 2001/02 voted annual appropriations.

Part G1 - Changes in Appropriations

| 2000/2001 Cumulative Vote Pacific Island Affairs in Old (2000/2001) Structure | \$000 | Structure Changes | \$000 | Cumulative Vote Pacific Island Affairs in New (2001/02) Structure | 2000/2001 \$000 | 2001/02 \$000 |
|---|-------|--|-------|---|-----------------|---------------|
| Output Classes | | | | Output Classes | | |
| D1 Policy Advice | 3,698 | From O2 Pacific Island Community Workers | 563 | D1 Policy Advice | 4,261 | 4,343 |
| O2 Pacific Island Community Workers | 563 | To D1 Policy Advice | (563) | Pacific Island Community Workers | - | - |