

Performance Information for Appropriations

Vote Pacific Island Affairs

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Pacific Island Affairs (M50)

ADMINISTERING DEPARTMENT: Ministry of Pacific Island Affairs

MINISTER RESPONSIBLE FOR MINISTRY OF PACIFIC ISLAND AFFAIRS: Minister of Pacific Island Affairs

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister of Pacific Island Affairs is responsible for appropriations in the Vote for the 2008/09 financial year covering the following:

- a total of just over \$5 million (67% of the Vote) for the purchase of policy advice, monitoring and piloting of innovative programmes
- a total of just over \$1 million (17% of the Vote) to provide and receive information from the Pacific communities and facilitate links between communities and other Government agencies and servicing of the Minister's Advisory Council
- a total of just over \$1 million (15% of the Vote) on the provision of business advice, information, support and education relating to business development, provided by the Pacific Business Trust.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Objectives of the Vote

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 to New Zealand's social and economic life.

The Ministry has the mandate - through Government policy and resourcing - to provide leadership, advice, support and inspire appropriate actions across the whole range of Government functions in order to improve the status and well-being of Pacific peoples in New Zealand.

The Ministry does not deliver services or manage the major policies or interventions that affect Pacific peoples. It adds value by providing evidence-based information and advice about both the results that will improve the community's well-being, and about possible approaches and means of achieving these results.

The Ministry has a comprehensive set of relationships with, and linkages to, Pacific communities. These enable the Ministry to gain an understanding of the expectations and aspirations of Pacific peoples and also to communicate effectively with communities about the policies and programmes of Government 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.

In support of the Government's three Key themes - Economic Transformation, National Identity and Families Young and Old and to achieve its overall outcome '*Successful Pacific peoples*' the Ministry contributes to the following three Contributing Outcomes:

- Pacific peoples participate fully in New Zealand's economy.
- The social wellbeing of Pacific peoples is enhanced.
- Pacific people's cultures and heritage are supported, developed and valued.

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

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2003/04	2004/05	2005/06	2006/07	2007/08		2008/09			2009/10	2010/11	2011/12
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	6,238	6,697	6,916	7,200	8,436	8,473	6,285	1,156	7,441	7,341	7,281	7,281
Benefits and Other Unrequited Expenses	108	108	108	100	108	108	N/A	108	108	108	108	108
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	271	186	514	45	164	164	404	-	404	40	90	100
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	6,617	6,991	7,538	7,345	8,708	8,745	6,689	1,264	7,953	7,489	7,479	7,489
Crown Revenue and Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	-	-	-	-

Budget Policy Initiatives

Policy Initiative	Appropriation	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Capability Enhancements	Communications Departmental Output Expenses	614	40	60	80	80
	Policy Advice Departmental Output Expenses	686	160	240	320	320
Pacific Modern Apprenticeship Action Campaign	Communications Departmental Output Expenses	-	20	20	-	-
	Policy Advice Departmental Output Expenses	-	80	80	-	-

Analysis of Significant Trends

Total Vote: All Appropriations

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.

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 a capital injection of \$418,000 and increased operating funding of \$67,000. The former was used on fitout and the latter on relocation costs including rental increase, depreciation and capital charge.

A Pacific Language promotion programme aimed at revitalising, preserving and maintaining the Niue, Cook Islands and Tokelau languages in New Zealand commenced in 2006/07. This will initially be a three-year programme with funding of \$200,000 per year.

Additional funding for 2007/08 of \$60,000 is for the Pacific Women's Economic Development Advisory Board. The board's role is to ensure the effective implementation of the Pacific Women's Economic Development Plan. This will initially be a three-year programme with funding of \$60,000 per year.

As part of a capability review, a needs assessment was undertaken in 2007/08 resulting in an increase in baseline allocation of \$1.3 million for the remainder of 2007/08, \$200,000 in 2008/09, \$300,000 in 2009/10 and \$400,000 in 2010/11 and future years. Under this assessment, a capital injection of \$290,000 was also agreed for 2008/09.

A further impact on the baseline in 2008/09 and in 2009/10 will be a new programme addressing Pacific Modern Apprenticeship Action Campaign where initially for the first two years of \$100,000 per year.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Pacific peoples participate fully in New Zealand's economy	Policy Advice Communications
The social well-being of Pacific peoples is enhanced	Policy Advice Communications
Pacific peoples' cultures and heritage are supported, developed, and valued	Policy Advice Communications

Communications (M50)

Scope of Appropriation

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.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,240	1,240	1,257
Revenue from the Crown	1,240	1,240	1,257
Revenue from Others	-	-	-

Reasons for Change in Appropriation

2008/09 will be the first full year where there is a reallocation in appropriation from the output class Policy Advice to Communications. The increase in appropriation to the Communications output class is a result of staff costs associated with salary increments arising from the reorganisation of the Ministry, which was initiated in 2007/08.

Output Performance Measures and Standards

This output involves the purchase of information and advice to Pacific communities on Government resources that are available through newsletters, public meetings and other channels. It also includes: assisting government agencies to recognise the need for, and to include, input from Pacific communities; Ministerial servicing; and servicing the Minister's Advisory Council.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Pacific Modern Apprenticeship Action Campaign	2008/09	-	20	20	-	-
Capability Enhancement	2007/08	614	40	60	80	80
Capability Development	2003/04	125	125	125	125	125

Policy Advice (M50)

Scope of Appropriation

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.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,040	6,077	5,028
Revenue from the Crown	5,985	5,985	4,968
Revenue from Others	55	92	60

Reasons for Change in Appropriation

2008/09 will be the first full year where there is a reallocation from the output class Policy Advice to Communications. The decrease in appropriation to the Policy Advice output class is a result of reduced staff costs associated with salary increments arising from the reorganisation of the Ministry which was initiated in 2007/08. This has been partially offset by additional funding for Pacific Modern Apprenticeship Action Campaign to this output class.

Output Performance Measures and Standards

This output involves the purchase of policy advice and services relating to the monitoring and development of innovative projects to advance the capacity of Pacific peoples in their self-development and achievement of aspirations. Performance measures and standards have been developed for the following outputs: Pacific Languages Strategy, Implementation of Pacific Economic Action Plan (PEAP) and Pacific Women's Economic Development Plan (PWEDP) and the Modern Apprenticeship Awareness Campaign and Pathways Expo.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Pacific Modern Apprenticeship Action Campaign	2008/09	-	80	80	-	-
Capability Enhancements	2007/08	686	160	240	320	320
Pacific Women's Economic Development Advisory Board	2007/08	60	60	60	-	-
Pacific Language Promotion and Preservation Programme	2005/06	200	200	-	-	-
Relocation funding for depreciation and capital charge	2005/06	78	78	78	78	78
Head Office Relocation	2004/05	124	124	124	124	124
Capability Development	2003/04	1,185	1,185	1,185	1,185	1,185

Part 2.2 - Non-Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Assisting New Zealanders of Pacific descent to start, develop and sustain successful businesses.	Promotions - Business Development

Promotions - Business Development (M50)

Scope of Appropriation

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.

Expenses

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,156	1,156	1,156

Output Performance Measures and Standards

The outputs the Pacific Business Trust (PBT) delivers are based on an annual 'purchase agreement' negotiated between the PBT and the Ministry of Pacific Island Affairs. One of the key roles of the Ministry is to monitor and report on the performance of the PBT against the purchase agreement. Performance measures and standards will be included in the 2008/09 Purchase Agreement with the PBT.

Summary of Service Providers

Provider	2007/08 Budgeted \$000	2007/08 Estimated Actual \$000	2008/09 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Non-government organisations					
Pacific Island Business Development Trust (Pacific Business Trust)	1,156	1,156	1,156	Provider's annual report	-

The above table summarises funding to be allocated through Vote Pacific Island Affairs to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Provide opportunities for Pacific people to further their education.	Study and Training Awards for Business Development Welfare of Pacific Island People in New Zealand

Study and Training Awards for Business Development (M50)

Scope of Appropriation

This is for the promotion of positive role models for young Pacific people in New Zealand and the provision of scholarships for further education.

Expenses

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	100	100	100

Welfare of Pacific Island People in New Zealand (M50)

Scope of Appropriation

This provides scholarships and seeding grants for projects with objectives falling within the strategic areas identified for the Ministry of Pacific Island Affairs.

Expenses

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8	8	8

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Ministry of Pacific Island Affairs - Capital Expenditure PLA (M50)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Pacific Island Affairs, as authorised by section 24(1) of the Public Finance Act 1989

Capital Expenditure

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	164	164	404
Intangibles	-	-	-
Other	-	-	-
Total Appropriation	164	164	404

Reasons for Change in Appropriation

The increase is for purchase of new technology to replace ageing systems and to improve the ability of staff across the organisation to work in an interconnected way. This is related to the capability needs assessment following a review of the Ministry.

Expected Results

	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Maintenance of capability	100%	100%	100%
Ongoing Replacement	100%	100%	100%