

Information Supporting the Supplementary Estimates

Vote Defence

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Defence (M22)

ADMINISTERING DEPARTMENT: Ministry of Defence

MINISTER RESPONSIBLE FOR MINISTRY OF DEFENCE: Minister of Defence

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2008/09				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	9,601	1,741	-	1,741	11,342
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	190,650	-	90,702	90,702	281,352
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	200,251	1,741	90,702	92,443	292,694
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	400	N/A	-	-	400
Capital Receipts	261,999	N/A	(33,416)	(33,416)	228,583
Total Crown Revenue and Capital Receipts	262,399	N/A	(33,416)	(33,416)	228,983

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Audit and Assessment of Performance (M22)

Scope of Appropriation

This appropriation is limited to audits and assessments of the New Zealand Defence Force and the Ministry of Defence.

Reasons for Change in Appropriation

This appropriation will increase by \$12,000 to \$1.921 million for 2008/09 due to a fiscally neutral adjustment between departmental output classes to manage funding pressures within the Vote.

Management of Equipment Procurement (M22)

Scope of Appropriation

Managing procurement or refurbishment, on behalf of the Crown, of various items of equipment contributing to a capability of the New Zealand Defence Force.

Reasons for Change in Appropriation

The appropriation will increase by \$1.446 million to \$5.179 million for 2008/09. The increase is mainly due to expenditure of \$1.451 million on pre-acquisition costs incurred in relation to purchase of specialised military equipment, that are recoverable from New Zealand Defence Force.

Policy Advice (M22)

Scope of Appropriation

Policy advice, management of international defence relations and services to the Minister.

Reasons for Change in Appropriation

This appropriation will increase by \$283,000 to \$4.242 million for 2008/09. The increase is mainly due to additional funding of \$290,000 for the Defence Review 09.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Defence Equipment (M22)

Scope of Appropriation

This appropriation is limited to the purchase, modification or refurbishment of major items of defence equipment for the New Zealand Defence Force.

Capital Expenditure

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	190,275	90,702	280,977

Reasons for Change in Appropriation

The appropriation will increase by \$90.702 million to \$280.977 million for 2008/09 as a result of funding for new projects initiated in 2008/09 (Defence Joint Command and Control System, ANZAC Platform Systems Upgrade, and Training Light Utility Helicopter project) and changes in the timings for various contractual milestone payments for existing projects.