

Hon Bill English  
Minister of Finance  
Parliament Buildings

Dear Bill

### Vote RS&T Savings and Value for Money Reviews

In response to your letter dated 17 December 2008, I present the findings of the Value for Money (VFM) review of Vote RS&T.

Attached to this letter are two annexes identifying savings for all the Vote RS&T appropriations. Annex 1 includes the major funds and schemes that support research and science activity. Annex 2 *[Information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]*

The review has not identified any Vote RS&T expenditure that is clearly inconsistent with current government policy. Savings have been identified as well as areas for future VFM reviews.

### SAVINGS

Savings in Vote RS&T have been identified in three ways:

- one off savings of \$33.2m available in out years
- unwinding out year increases of \$87.0m from the Economic Transformation package pre-committed against future Budgets  
*[Information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]*

**Table 1: Savings identified through unwinding out year increases and identifying uncommitted out year expenditure.**

\$m GST Excl	Savings identified				
	Available for 2009/10	Available for 2010/11	Available for 2011/12	Available for 2012/13 and out years	Total over 4 Years
Unwinding	10.500	19.500	28.500	28.500	87.000
One-off	26.866	1.248	2.668	2.418	33.200
<b>Total Savings</b>	<b>37.366</b>	<b>20.748</b>	<b>31.168</b>	<b>30.918</b>	<b>120.200</b>

The savings identified above have also been included in the Minister of Economic Development's Cabinet paper *Budget 2008: Reversing Economic Transformation (innovation) pre-commitments*.

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Yours sincerely

Wayne Mapp

**MINISTER OF RESEARCH, SCIENCE AND TECHNOLOGY**

Encl.

1. Annex 1: Line by line analysis of Vote Research Science and Technology (non Departmental Output Expenses) to identify savings and future Value for Money reviews.

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