

VOTE *Defence* *Force*

Terms and Definitions Used

APEC	Asia Pacific Economic Cooperation
LFG	Land Force Group
HMNZ	Her Majesty's New Zealand Ship
LFG	Land Force Group
LINZ	Land Information New Zealand
MIF	Multinational Interception Force
NZDF	New Zealand Defence Force
NZSAS Gp	New Zealand Special Air Service Group
PMG	Peace Monitoring Group
RNZNVR	Royal New Zealand Naval Volunteer Reserve
UN	United Nations

Footnote

Note 1	Appropriations in Part B are inclusive of GST (where applicable).
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Defence Force

VOTE MINISTER: Minister of Defence

ADMINISTERING DEPARTMENT: New Zealand Defence Force

The Minister of Defence is the Responsible Minister for the New Zealand Defence Force

Part B - Statement of Appropriations (see note 1)

Summary of 1999/2000 Appropriations

Types of Appropriation	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	1,597,184	-	-	-	1,597,184
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	64,452	-	-	-	64,452
Capital Flows					
Capital Contributions	160	-	-	-	160
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 1999/2000	1,661,796	-	-	-	1,661,796
Total 1999/2000 Main Estimates Appropriations	1,582,484	-	-	-	1,582,484

Part B1 - Details of 1999/2000 Appropriations (see note 1)

Appropriations	1999/2000						Purpose of and Reasons for Change in 1999/2000 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Military Policy Development, Co-ordination and Advice	7,325	-	392	-	7,717	-	Purchase of policy advice to the Minister of Defence on military contributions to New Zealand's foreign policy and military responses to contingencies. This includes military intelligence, and responses to ministerial correspondence, parliamentary questions, and Official Information Act inquiries. The Supplementary Estimates adjustment reflects changes in NZDF management plans.
D2 Naval Combat Forces	405,655	-	(7,098)	-	398,557	-	Purchase the capabilities of HMNZ Ships TE KAHA, WELLINGTON and CANTERBURY. The adjustment includes the impact of reductions in third party revenue, reprioritisation of resources and transfers to output class D16 Operationally Deployed Forces. The transfers recognise the deployment of HMNZS TE KAHA to the MIF in the Persian Gulf and deployments to East Timor of HMNZS TE KAHA and HMNZS CANTERBURY.
D3 Naval Support Forces	25,156	-	(322)	-	24,834	-	Purchase the capabilities of HMNZS ENDEAVOUR prepared to conduct operational and maritime logistic support for deployed military forces. The military sea-lift ship HMNZS CHARLES UPHAM remained on charter. The adjustment includes the impact of reductions in total Navy related third party revenue and transfers to output class D16 Operationally Deployed Forces to meet the costs of the deployment to East Timor of HMNZS ENDEAVOUR.
D4 Mine Counter Measures, Diving and Diving Support Forces	37,330	-	145	-	37,475	-	Purchase the capabilities of the inshore patrol craft, diving support vessel, and operational diving team prepared to conduct mine counter measure operations and route surveys for selected New Zealand ports. The adjustment includes a transfer to output class D16 Operationally Deployed Forces associated with the deployment of HMNZS MANAWANUI to the Bougainville Peace Monitoring Group (PMG) and the reprioritisation of resources.

D5 Naval Control of Shipping Forces	4,022	-	(150)	-	3,872	-	Purchase the capabilities of the Naval Control of Shipping Organisation prepared to conduct control of shipping in times of threat. This includes the provision of the Royal New Zealand Naval Volunteer Reserve (RNZNVR). The Supplementary Estimates adjustment includes the impact of reductions in third party revenue and the reprioritisation of NZDF budget resources.
D6 Hydrographic Data Collection and Processing for LINZ and Third Parties	10,755	-	(2,475)	-	8,280	-	Purchase the capabilities of HMNZS RESOLUTION and two inshore survey craft to conduct hydrographic data collection and processing that meets contractual commitments to LINZ and Third Parties. This includes support by the Hydrographic Office. The Supplementary Estimates adjustment reflects reduced third party revenue as a result of lower than anticipated hydrographic contract opportunities.
D8 Army Ready Reaction Forces	359,451	-	(11,356)	-	348,095	-	Purchase the capabilities of Army Ready Reaction Forces provided by 2 Land Force Group (2 LFG) and the 1st NZ Special Air Service Group (1 NZSAS Gp) to conduct land operations. The adjustment reflects the transfers to output class D16 Operationally Deployed Forces, necessary to achieve the internal reprioritisation of activities agreed by the NZDF to assist in meeting the cost of the New Zealand contribution to the Peacekeeping Force in East Timor.
D9 Army Training and Rotation Forces	137,668	-	(1,014)	-	136,654	-	Purchase the capabilities of Army Training and Rotation Forces, provided by 3 Land Force Group (3 LFG), prepared to contribute round-out and reinforcement elements to the Battalion Group and the infrastructure of the Brigade Group raised by 2 LFG. The adjustment reflects the transfer to output class D16 Operationally Deployed Forces, necessary to achieve the internal reprioritisation of activities to assist in meeting the cost of the New Zealand contribution to the Peacekeeping Force in East Timor.
D10 Specialised Forces	16,824	-	(244)	-	16,580	-	Purchase the capabilities of Specialised Forces prepared for counter-terrorist operations, and the disposal of explosive devices that threaten the Government, community or national interests. The adjustment reflects the transfer to output class D16 Operationally Deployed Forces, necessary to achieve the internal reprioritisation of activities to assist in meeting the cost of the New Zealand contribution to the Peacekeeping Force in East Timor.

Part B1 - Details of 1999/2000 Appropriations (continued)

Appropriations	1999/2000						Purpose of and Reasons for Change in 1999/2000 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross) - cont'd							
D11 Air Combat Forces	226,259	-	(11,108)	-	215,151	-	Purchase the capabilities of No 75 Squadron (Skyhawk aircraft) prepared for the conduct of maritime strike, close air support for ground operations and air interdiction. The change includes anticipated reductions in Skyhawk operating expenses as a result of an intention to lease F16 aircraft from the United States Government. Cabinet subsequently agreed to exit the contract.
D12 Maritime Patrol Forces	104,788	-	2,039	-	106,827	-	Purchase the capabilities of No 5 Squadron (Orion aircraft) prepared for the conduct of maritime surveillance and maritime air operations. The adjustment reflects a requirement to provide for increased operating expenses associated with aircraft maintenance and aviation fuel. The provision was achieved by the reprioritisation of NZDF budget resources.
D13 Fixed Wing Transport Forces	142,483	-	2,897	-	145,380	-	Purchase the capabilities of No 40 Squadron (C 130 Hercules and Boeing 727 aircraft) prepared for the conduct of strategic and tactical air transport operations. The adjustment reflects a requirement to provide for increased operating expenses associated with aircraft maintenance and aviation fuel. The provision was achieved by the reprioritisation of resources.
D14 Rotary Wing Transport Forces	82,909	-	(1,755)	-	81,154	-	Purchase the capabilities of No 3 Squadron (Iroquois helicopters) prepared for the conduct of tactical air transport and counter-terrorist operations. The adjustment reflects a requirement to reprioritise resources.

D15 Miscellaneous Support Activities	10,063	-	18	-	10,081	-	Purchase the NZDF training infrastructure and planned support to regional Defence Forces and the New Zealand community. Included is support provided under the Mutual Assistance Programme, support for the New Zealand Cadet Forces and training of Limited Service Volunteers.
D16 Operationally Deployed Forces	11,636	-	44,891	-	56,527	-	Purchase of deployed force elements. The adjustment reflects the continuing contribution to the PMG, a deployment of HMNZS TE KAHA to the MIF, the costs of the New Zealand contribution to the peacekeeping force in East Timor including NZDF contributions agreed as a result of the internal reprioritisation of activities. Internal transfers further provided for salary and allowance adjustments for personnel serving in other UN peacekeeping posts.
Total Appropriations for Departmental Output Classes (Mode B Gross)	1,582,324	-	14,860	-	1,597,184	-	
Other Expenses to be Incurred by the Department							
Other	-	-	64,452	-	64,452	-	Provides for expenses (\$9.359 million) arising from the transfer of land at HMNZS TAMAKI to the Conservation Estate for inclusion in the Hauraki Gulf Marine Park, a reduction as a result of a recalculation of the inventory obsolescence provision (- \$15 million), an expense (\$70 million) necessary to recognise a change in accounting policy for the treatment of inventory and expenses (\$93,000) resulting from the disposal of the Ashburton Drill Hall.
Total Appropriations for Other Expenses to be Incurred by the Department	-	-	64,452	-	64,452	-	
Capital Contributions to the Department							
Capital Investment	160	-	-	-	160	-	The capital contribution was provided to purchase decontamination and specialist search equipment to support the Asia Pacific Economic Cooperation (APEC) conference.
Total Appropriations for Capital Contributions to the Department	160	-	-	-	160	-	
Total Appropriations	1,582,484	-	79,312	-	1,661,796	-	