

# VOTE *Treasurer*

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## Terms and Definitions Used

<b>DEFU</b>	December Economic and Fiscal Update
<b>ECNZ</b>	Electricity Corporation of New Zealand Ltd
<b>PREFU</b>	Pre-Election Economic and Fiscal Update

## Footnotes

<b>Note 1</b>	Appropriations are stated GST inclusive (where applicable).
<b>Note 2</b>	Expenses to be incurred pursuant to section 61(1) of the Public Finance Act 1989.
<b>Note 3</b>	Expenses to be incurred pursuant to sections 60 and 61(1) of the Public Finance Act 1989.
<b>Note 4</b>	Expenses to be incurred pursuant to section 5 of the International Finance Agreements Act 1961.
<b>Note 5</b>	Expenses to be incurred pursuant to section 60 of the Public Finance Act 1989.

## Treasurer

VOTE MINISTER: Minister of Finance  
 ADMINISTERING DEPARTMENT: The Treasury  
 The Minister of Finance is the Responsible Minister for the Treasury

### 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	
<b>Operating Flows</b>					
Classes of Outputs to be Supplied	23,675	6,524	-	-	30,199
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	2,497,000	2,497,000
Other Expenses	-	-	25	-	25
<b>Capital Flows</b>					
Capital Contributions	-	-	-	170,000	170,000
Purchase or Development of Capital Assets	-	-	5	-	5
Repayment of Debt	-	-	-	1,428,170	1,428,170
<b>Total Appropriations for 1999/2000</b>	<b>23,675</b>	<b>6,524</b>	<b>30</b>	<b>4,095,170</b>	<b>4,125,399</b>
<b>Total 1999/2000 Main Estimates Appropriations</b>	<b>22,950</b>	<b>6,335</b>	<b>23</b>	<b>2,812,000</b>	<b>2,841,308</b>

## Part B1 - Details of 1999/2000 Appropriations

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	
<b>Departmental Output Classes (Mode B Gross)</b>							
D1 Policy Advice: General Economic and Fiscal Strategies	3,896	-	(114)	-	3,782	-	Provision of advice spanning the whole economy or substantial sections of it, including current and medium term fiscal priorities and overall economic strategy. The reduction is due to lower than forecast demand for budget strategy advice.
D2 Economic and Fiscal Forecasting	4,269	-	(236)	-	4,033	-	Preparation and publication of macroeconomic, tax revenue and fiscal forecasts, and monitoring the domestic and international economies. The cost of the macroeconomic forecasting outputs were lower than anticipated, reflecting the involvement of fewer staff than forecast.
D3 Sectoral Policy Advice	13,049	-	1,289	-	14,338	-	Provision of strategic advice on the most appropriate government actions relating to specific sectors of the economy to achieve the Government's policy outcomes. The increase reflects a shift in output demand from vote analysis to strategic advice and was funded by fiscally neutral transfers from Vote Finance.
D4 Budget Management	1,736	-	(214)	-	1,522	-	Provision of services associated with the management and operation of the Budget processes. The reduction is due to lower PREFU printing costs than forecast and the budget for DEFU printing costs not being required due to the timing of the PREFU.
D5 Debt and Financial Asset Management (see note 2)	-	6,335	-	189	-	6,524	Operational management of the Crown's debt portfolio and associated financial investments. The increase reflects a change in the process of allocating overheads. This change was made at the commencement of the year so as to better reflect output costs. A fiscally neutral adjustment from Vote Finance funded the increase.
<b>Total Appropriations for Departmental Output Classes (Mode B Gross)</b>	22,950	6,335	725	189	23,675	6,524	

<b>Borrowing Expenses</b>							
Debt Servicing (see note 3)	-	2,474,000	-	23,000	-	2,497,000	Payment of interest and other finance costs relating to the Crown's New Zealand dollar and foreign currency debt. The amount required depends on interest rates, exchange rates and the amount of debt outstanding. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn at the PREFU.
<b>Total Appropriations for Borrowing Expenses</b>	-	2,474,000	-	23,000	-	2,497,000	
<b>Other Expenses to be Incurred by the Crown</b>							
Overseas Investment Commission Honoraria	18	-	7	-	25	-	Honoraria paid to the Crown-appointed members of the Overseas Investment Commission. The Supplementary Estimates adjustment covers the extra costs of one member travelling from Auckland, and those that may be incurred if a second non-Wellington based member is appointed.
<b>Total Appropriations for Other Expenses to be Incurred by the Crown</b>	18	-	7	-	25	-	
<b>Capital Contributions to Other Persons or Organisations</b>							
International Financial Institutions (see note 4)	-	200,000	-	(30,000)	-	170,000	Capital payments in respect of New Zealand's membership of the International Monetary Fund, the Asian Development Bank, the World Bank and the International Finance Corporation. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn.
<b>Total Appropriations for Capital Contributions to Other Persons or Organisations</b>	-	200,000	-	(30,000)	-	170,000	

## 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	
<b>Purchase or Development of Capital Assets by the Crown</b>							
Crown Coin Collection	5	-	-	-	5	-	Purchase of New Zealand coins for the Crown Coin collection.
<b>Total Appropriations for Purchase or Development of Capital Assets by the Crown</b>	5	-	-	-	5	-	
<b>Repayment of Debt</b>							
ECNZ Debt (see note 5)	-	101,000	-	170	-	101,170	The Crown assumed some Electricity Corporation of New Zealand (ECNZ) debt when Contact Energy was separated from ECNZ in 1995/96. The appropriation provides for repayment of that debt. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn.
Net Domestic Debt Repayment (see note 5)	-	-	-	778,000	-	778,000	The estimated net repayment of domestic debt. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn at the PREFU.
Net Foreign Debt Repayment (see note 5)	-	37,000	-	512,000	-	549,000	The estimated net repayment of foreign currency debt. The amount required depends on the repayment profile of the debt. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn at the PREFU.
<b>Total Appropriations for Repayment of Debt</b>	-	138,000	-	1,290,170	-	1,428,170	
<b>Total Appropriations</b>	22,973	2,818,335	732	1,283,359	23,705	4,101,694	

## Part F - Crown Revenue and Receipts

### Part F1 - Current and Capital Revenue and Receipts

	1999/2000			Explanation of 1999/2000 Crown Revenue
	Main Estimates \$000	Supplementary Estimates \$000	Total Budgeted \$000	
<b>Current Revenue</b>				
Non-Tax Revenue				
Interest on Investments	315,000	59,000	374,000	Interest earned on the Crown's official overseas reserves, bank accounts and domestic bond assets. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn at the Pre-Election Fiscal Update.
Reserve Bank Surplus	129,858	20,960	150,818	Surplus funds transferred to the Crown under the Reserve Bank Act 1989. The Supplementary Estimates adjustment reflects the actual out-turn.
Total Non-Tax Revenue	444,858	79,960	524,818	
<b>Total Current Revenue</b>	444,858	79,960	524,818	
<b>Capital Receipts</b>				
Net Domestic Borrowing	1,967,000	(1,967,000)	-	Net borrowing by the Crown on the New Zealand domestic market. The Supplementary Estimates adjustment reflects a re-forecast of the expected out-turn at the Pre-Election Fiscal Update.
Stadium Trust Loan Repayment	3,803	-	3,803	Repayment of a Crown loan by the Wellington Regional Stadium Trust.
<b>Total Capital Receipts</b>	1,970,803	(1,967,000)	3,803	
<b>Total Crown Revenue and Receipts</b>	2,415,661	(1,887,040)	528,621	

