

Information Supporting the Supplementary Estimates

Vote Veterans' Affairs - Defence Force

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Veterans' Affairs (M75)

ADMINISTERING DEPARTMENT: New Zealand Defence Force

MINISTER RESPONSIBLE FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2012/13				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	10,502	375	150	525	11,027
Benefits and Other Unrequited Expenses	145,241	N/A	829	829	146,070
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,550	-	(150)	(150)	1,400
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	157,293	375	829	1,204	158,497
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Policy Advice and Related Outputs MCOA (M75)

Scope of Appropriation

Administration Services

This output class is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities, the coordination of commemorations, the provision of administration services to relevant boards and committees and the administration of contracts for service for maintenance and development work carried out in Service Cemeteries.

Policy Advice

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to Veterans' Affairs.

Explanation for Use of Multi-Class Output Expense Appropriation

This appropriation is limited to the provision of policy advice to support decision-making by Ministers on policy matters relating to Veterans' Affairs, the provision of services to Ministers to enable them to discharge their portfolio responsibilities, the coordination of commemorations, and the provision of administration services. This appropriation is a MCOA because administration services support the provision of policy advice.

Reasons for Change in Appropriation

Administration Services - This appropriation will increase by \$150,000 to \$2.645 million due to the Government's response to the Law Commission's Report on the War Pensions Act 1954.

Services and Payments to Veterans (M75)

Scope of Appropriation

This appropriation is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions and allowances, Surviving Spouse Pensions), the assessment and review of entitlement for burial in Service Cemeteries, the installation of ex-service memorials for eligible veterans, and the provision of case management for veterans and their families.

Reasons for Change in Appropriation

This appropriation will increase by \$225,000 to \$6.239 million due to a Vote Defence Force transfer to provide for the effect on Vote Veterans' Affairs - Defence Force of the New Zealand Defence Force Remuneration Review 2012.

Part 2.2 - Non-Departmental Output Expenses

Support for Veterans and Their Families (M75)

Scope of Appropriation

This appropriation is limited to providing for the support of veterans and their families. This includes the provision of counselling for veterans' families, the reimbursement of out of pocket expenses for veterans' children with specified conditions; additional support for veterans to facilitate them remaining in their own homes for as long as possible; additional support to facilitate veterans' rehabilitation; support for the surviving partner after the death of the veteran and for the provision of grants to Non-Government Organisations for the support of veterans and their families.

Reasons for Change in Appropriation

This appropriation will increase by \$150,000 to \$1.177 million due to a transfer from the Output Expense 'Ex-gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans'.

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Medical Treatment (M75)

Scope of Appropriation

This appropriation is limited to the payment of assessment costs as set out in the War Pensions Regulations 1956 for War Disablement Pension applications and reviews, medical treatment costs for accepted service-related disabilities, and the costs of appliances and aids required as a result of an accepted disability.

Reasons for Change in Appropriation

This appropriation will decrease by \$891,000 to \$20.179 million as a result of lower expenditure on aids and appliances and medical treatment (excluding Australia).

Special Annuities (M75)

Scope of Appropriation

This appropriation is limited to paying annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand Society.

Reasons for Change in Appropriation

This appropriation will increase by \$9,000 to \$36,000 to allow for the Government decision to fund a further Special Annuity and the extra five per cent increment on 1 April 2013 for payments linked to the War Pension payment rates.

War Disablement Pensions (M75)

Scope of Appropriation

This appropriation is limited to the payment of War Disablement Pensions to ex-service people who have a disability attributable to, or aggravated by, service in a declared war or emergency at any time, or in routine service prior to 1 April 1974 as set out in the War Pensions Act 1954, the payment of Surviving Spouse Pensions as set out in the War Pensions Act 1954 and the payment of allowances as set out in the War Pensions Act 1954 and the War Pensions Regulations 1956.

Reasons for Change in Appropriation

This appropriation will increase by \$1.711 million to \$125.851 million due to the Government Response to the Law Commission's Report on the War Pensions Act 1954.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans (M75)

Scope of Appropriation

This appropriation is limited to the ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions and for the annual comprehensive medical assessments for Vietnam Veterans.

Reasons for Change in Appropriation

This appropriation will decrease by \$150,000 to \$1.150 million due to a transfer to the Output Expense 'Support for Veterans and Their Families'.