

# *Vote Defence Force*

---

APPROPRIATION MINISTER(S): Minister of Defence (M22), Minister for Veterans (M75)

DEPARTMENT ADMINISTERING THE VOTE: New Zealand Defence Force (A27)

RESPONSIBLE MINISTER FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)</b> This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	985,297	(64,856)	920,441
<b>Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)</b> This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	886,062	57,083	943,145
<b>Military Capabilities in Support of a Rules-Based International Order (M22) (A27)</b> This appropriation is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.	-	5,000	5,000
<b>Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)</b> This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	500,253	106,311	606,564
<b>Total Departmental Output Expenses</b>	2,371,612	103,538	2,475,150
<b>Departmental Other Expenses</b>			
<b>Loss on Sale of Physical Assets (M22) (A27)</b> This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.	-	7,260	7,260
<b>Total Departmental Other Expenses</b>	-	7,260	7,260
<b>Departmental Capital Expenditure</b>			
<b>New Zealand Defence Force - Capital Expenditure PLA (M22) (A27)</b> This appropriation is limited to the purchase or development of assets by and for the use of the New Zealand Defence Force, as authorised by section 24(1) of the Public Finance Act 1989.	1,164,711	183,019	1,347,730
<b>Total Departmental Capital Expenditure</b>	1,164,711	183,019	1,347,730
<b>Non-Departmental Output Expenses</b>			
<b>Development and Maintenance of Services Cemeteries (M75) (A27)</b> This appropriation is limited to the development and maintenance of Services Cemeteries.	746	-	746
<b>Total Non-Departmental Output Expenses</b>	746	-	746
<b>Non-Departmental Other Expenses</b>			
<b>Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75) (A27)</b> This appropriation is limited to providing for the fair value write down on the Veteran Trust loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.	203	-	203
<b>Grant Payments to Non-Government Organisations (M75) (A27)</b> This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	275	-	275
<b>Impairment of Debt for Benefits or Related Expenses (M75) (A27)</b> This appropriation is limited to the impairment and write-down of Crown Debt associated with previous payments of Benefits or Related Expenses administered by the New Zealand Defence Force.	250	-	250

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Service Cost - Veterans' Entitlements (M75) (A27)</b> This appropriation is limited to the present value of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.	20,000	-	20,000
<b>Support for Vietnam Veterans (M75) (A27)</b> This appropriation is limited to annual comprehensive medical assessments for Vietnam veterans, the monitoring of trends in the health and wellbeing of Vietnam veterans and providing this information to veterans, and ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions.	1,100	37,900	39,000
<b>Unwind of Discount Rate - Veterans' Entitlements (M75) (A27)</b> This appropriation is limited to the unwinding of the discount rate (interest expense) of the liability for the Veterans' entitlements provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.	40,000	-	40,000
<b>Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75) (A27)</b> This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.	200	-	200
<b>Total Non-Departmental Other Expenses</b>	62,028	37,900	99,928
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Advice to the Government MCA (M22) (A27)</b> The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.	17,208	(3,500)	13,708
<b>Departmental Output Expenses</b>			
<b>Policy Advice</b> This category is limited to the provision of advice (including second opinion advice and policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to defence and the NZDF.	3,900	-	3,900
<b>Situational Awareness</b> This category is limited to the provision of effective military intelligence services to the Government in support of decision-making for the defence and security of New Zealand.	11,289	(3,500)	7,789
<b>Supporting Ministers</b> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.	2,019	-	2,019
<b>Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27)</b> The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.	30,795	3,977	34,772
<b>Departmental Output Expenses</b>			
<b>Military Operations in Support of a Rules-Based International Order</b> This category is limited to the costs of generating operational military capabilities and the employment of the New Zealand Armed Forces for the conduct of operations, as directed by the Government.	30,286	3,977	34,263
<b>Military Operations that Contribute to Regional Security</b> This category is limited to the costs of providing specialised support to all-of-government efforts to maintain security and stability in New Zealand's immediate neighbourhood including responses to events that impact on the safety and wellbeing of regional populations, as directed by the Government.	509	-	509

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Policy Advice And Other Services For Veterans MCA (M75) (A27)</b> The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities, and the provision of services and payments to veterans.	10,447	1,500	11,947
<b>Departmental Output Expenses</b>			
<b>Administration Services</b> This category 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.	2,884	-	2,884
<b>Policy Advice</b> This category is limited to the provision of policy 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.	230	-	230
<b>Services and Payments to Veterans</b> This category is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions, and allowances and 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.	7,333	1,500	8,833
<b>Protection of New Zealand and New Zealanders MCA (M22) (A27)</b> The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.	629,091	10,236	639,327
<b>Departmental Output Expenses</b>			
<b>Assistance to the Civil Power and Provision of a Public Service in Emergency Situations</b> This category is limited to the costs of specialist military capabilities and Defence Force resources provided to the civil power in an emergency and for urgent work of national importance.	199,312	1,126	200,438
<b>Defence International Engagement</b> This category is limited to the provision of services and utility of the Defence Force to support foreign policy objectives that strengthen security and avert conflict.	107,080	(6,194)	100,886
<b>Defence Support to the Community</b> This category is limited to the costs of providing Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.	59,454	2,350	61,804
<b>Military Assistance to Civil Authorities in Non-Emergency Situations</b> This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.	38,894	1,191	40,085
<b>Resource and Border Protection Operations</b> This category is limited to the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.	224,351	11,763	236,114
<b>Total Multi-Category Expenses and Capital Expenditure</b>	687,541	12,213	699,754
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	4,286,638	343,930	4,630,568

## Capital Injection Authorisations

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
New Zealand Defence Force - Capital Injection (M22) (A27)	673,016	(443,481)	229,535

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2021/22				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	2,372,358	103,538	-	103,538	2,475,896
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	62,028	7,260	37,900	45,160	107,188
Capital Expenditure	1,164,711	183,019	-	183,019	1,347,730
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	687,541	12,213	-	12,213	699,754
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	4,286,638	306,030	37,900	343,930	4,630,568
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	N/A	-	-	-

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

##### *Scope of Appropriation*

This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

##### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	985,297	(64,856)	920,441
Revenue from the Crown	975,716	(66,403)	909,313
Revenue from Others	9,581	1,547	11,128

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide naval operations capabilities prepared for maritime warfare and security operations	100%	(4%)	96%
Percentage of Government directed readiness levels achieved and maintained to provide air surveillance and response capabilities prepared for counter sea and surveillance operations	100%	(37%)	63%
Percentage of Government directed readiness levels achieved and maintained to provide tactical air mobility capabilities prepared for tactical air transport and air manoeuvre operations	100%	(7%)	93%
Percentage of Government directed readiness levels achieved and maintained to provide strategic air mobility capabilities prepared for inter-theatre air transport operations	100%	(50%)	50%

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$64.856 million to \$920.441 million for 2021/22 due to:

- decreased funding of \$85 million for the transfer of funding to other Departmental appropriations to align funding to the delivery of outputs
- decreased funding of \$4.617 million which was transferred from this appropriation to assist with the self-defence of Ukraine, and
- decreased funding of \$3.900 million for the transfer of funding from 2021/22 to 2022/23 and 2023/24 for the Texan training aircraft Canopy Fracture System.

This is partially offset by:

- increased funding of \$13.500 million for the increase in the depreciation expense as a result of capital investments and committed capital spends
- increased funding of \$11.368 million for the increase in capital charge as a result of the uplift in the valuation of land and buildings
- increased funding of \$2.196 million for the increase in the depreciation charge as a result of the uplift in the valuation of land and buildings
- increased revenue of \$1.547 million received from Service personnel for the provision of Service housing and barracks, and
- increased funding of \$50,000 for the State Sector Decarbonisation Fund - Tranche Five.

## Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

### *Scope of Appropriation*

This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	886,062	57,083	943,145
Revenue from the Crown	869,961	53,989	923,950
Revenue from Others	16,101	3,094	19,195

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for global complex warfighting operations (see Note 1)	100%	(100%)	0%
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for regional stabilisation operations (see Note 1)	100%	(89%)	11%

Note 1 - The reduction in the Supplementary Estimates Standard for the end of 2021/22 for land combat capabilities prepared for global complex warfighting and regional stabilisation operations in the table above reflects the deployment of personnel in support of the All-of-Government response to the COVID-19 pandemic.

### *Reasons for Change in Appropriation*

This appropriation increased by \$57.083 million to \$943.145 million for 2021/22 due to:

- increased funding of \$17.291 million for the increase in the depreciation charge as a result of the uplift in the valuation of land and buildings
- increased funding of \$14.208 million for the increase in capital charge as a result of the uplift in the valuation of land and buildings
- increased funding of \$12 million relating to a transfer of funding from other Departmental appropriations to align funding to the delivery of outputs
- increased funding of \$11 million for the increase in the depreciation expense as a result of capital investments and committed capital spends
- increased revenue of \$3.094 million received from Service personnel for the provision of Service housing and barracks, and
- increased funding of \$50,000 for the State Sector Decarbonisation Fund - Tranche Five.

This is partially offset by a decrease in funding of \$560,000 which was transferred from this appropriation to assist with the self-defence of Ukraine.

### **Military Capabilities in Support of a Rules-Based International Order (M22) (A27)**

#### *Scope of Appropriation*

This appropriation is limited to the provision of military capabilities overseas, as directed by the Government of New Zealand.

#### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	5,000	5,000
Revenue from the Crown	-	5,000	5,000
Revenue from Others	-	-	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enhance all-of-government capacity to contribute military capabilities overseas in support of a rules-based international order.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Provide military capabilities overseas to assist with the self-defence of Ukraine	Meet	Meet	Meet



### *End of Year Performance Reporting*

Performance will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2022 to be presented to the House.

### *Reasons for Change in Appropriation*

This appropriation was established in 2021/22. The total funding of \$5 million is for the assistance of the self-defence of Ukraine.

## **Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)**

### *Scope of Appropriation*

This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	500,253	106,311	606,564
Revenue from the Crown	493,204	104,764	597,968
Revenue from Others	7,049	1,547	8,596

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide naval combat capabilities prepared for maritime warfare operations	100%	(36%)	64%
Percentage of Government directed readiness levels achieved and maintained to provide naval patrol capabilities prepared for domestic and regional resource and border protection operations	100%	(25%)	75%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for amphibious sealift	100%	(7.5%)	92.5%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for littoral warfare support	100%	(2%)	98%

### *Reasons for Change in Appropriation*

This appropriation increased by \$106.311 million to \$606.564 million for 2021/22 due to:

- increased funding of \$82 million relating to a transfer of funding from other Departmental appropriations to align funding to the delivery of outputs
- increased funding of \$12.025 million for the increase in the depreciation expense as a result of capital investments and committed capital spends
- increased funding of \$7.385 million for the increase in capital charge as a result of the uplift in the valuation of land and buildings
- increased funding of \$3.843 million for the increase in the depreciation charge as a result of the uplift in the valuation of land and buildings
- increased revenue of \$1.547 million received from Service personnel for the provision of service housing and barracks, and
- increased funding of \$51,000 for the State Sector Decarbonisation Fund - Tranche Five.

This is partially offset by a decrease in funding of \$540,000 which was transferred from this appropriation to assist with the self-defence of Ukraine.

## 2.2 - Departmental Other Expenses

### Loss on Sale of Physical Assets (M22) (A27)

#### *Scope of Appropriation*

This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.

#### *Expenses*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	7,260	7,260

#### *What is Intended to be Achieved with this Appropriation*

This appropriation intends to reflect the loss on sale of certain New Zealand Defence Force commercial properties, including those arising from Treaty of Waitangi settlements.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Expenditure reflects the loss on sale of certain New Zealand Defence Force commercial properties	Meet	Meet	Meet

#### *End of Year Performance Reporting*

Performance will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2022 to be presented to the House.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$7.260 million for 2021/22 due to an expense transfer from 2020/21 to 2021/22 for the loss on disposal of property under Treaty settlements.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### New Zealand Defence Force - Capital Expenditure PLA (M22) (A27)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the New Zealand Defence Force, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,153,182	185,827	1,339,009
Intangibles	11,529	(2,808)	8,721
Other	-	-	-
<b>Total Appropriation</b>	<b>1,164,711</b>	<b>183,019</b>	<b>1,347,730</b>

#### *Reasons for Change in Appropriation*

This appropriation increased by \$183.019 million to \$1,347.730 million for 2021/22 due to:

- an increase of \$180.877 million due to changes in the forecast assumptions regarding the timing of capital projects, and
- increased funding of \$2.142 million for Phase 2A of the Operational and Regulatory Aviation Compliance Sustainment Project.

*Capital Injections and Movements in Departmental Net Assets***New Zealand Defence Force**

Details of Net Asset Schedule	2021/22 Main Estimates Projections \$000	2021/22 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2021/22
Opening Balance	8,252,764	9,052,719	Supplementary Estimates opening balance reflects the audited results as at 30 June 2021. The increase in the opening balance is due to the increase in the revaluation reserve as a result of the increase in value of land and buildings.
Capital Injections	673,016	229,535	Capital injections are to enhance and maintain the capability of the New Zealand Defence Force in line with the Defence White Paper 2016 and the Defence Capability Plan 2019. Capital injections decreased by \$443.481 million. This decrease relates to a decrease of \$455.730 million for capital injections transferred to 2022/23. This is offset by an increase of \$11.793 million for the Frigate Sustainment Communications project and an increase of \$456,000 for State Sector Decarbonisation Tranche Five.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>8,925,780</b>	<b>9,282,254</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.4 - Non-Departmental Other Expenses

#### Support for Vietnam Veterans (M75) (A27)

##### *Scope of Appropriation*

This appropriation is limited to annual comprehensive medical assessments for Vietnam veterans, the monitoring of trends in the health and wellbeing of Vietnam veterans and providing this information to veterans, and ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions.

##### *Reasons for Change in Appropriation*

This appropriation increased by \$37.900 million to \$39 million for 2021/22 due to ex-gratia payments as provided for in the 2006 Memorandum of Understanding between Crown and Representatives of New Zealand Vietnam Veterans.

# Part 4 - Details of Multi-Category Expenses and Capital Expenditure

## 4 - Multi-Category Expenses and Capital Expenditure

### Advice to the Government (M22) (A27)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

###### *Policy Advice*

This category is limited to the provision of advice (including second opinion advice and policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to defence and the NZDF.

###### *Situational Awareness*

This category is limited to the provision of effective military intelligence services to the Government in support of decision-making for the defence and security of New Zealand.

###### *Supporting Ministers*

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.

#### *Expenses, Revenue and Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>17,208</b>	<b>(3,500)</b>	<b>13,708</b>
<b>Departmental Output Expenses</b>			
Policy Advice	3,900	-	3,900
Situational Awareness	11,289	(3,500)	7,789
Supporting Ministers	2,019	-	2,019
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>17,167</b>	<b>(3,500)</b>	<b>13,667</b>
Policy Advice	3,889	-	3,889
Situational Awareness	11,267	(3,500)	7,767
Supporting Ministers	2,011	-	2,011
<b>Revenue from Others</b>	<b>41</b>	<b>-</b>	<b>41</b>
Policy Advice	11	-	11
Situational Awareness	22	-	22
Supporting Ministers	8	-	8

### *Reasons for Change in Appropriation*

This appropriation decreased by \$3.500 to \$13.708 million for 2021/22 due to a transfer of funding from this appropriation to other Departmental appropriations to align funding to the delivery of outputs.

## **Operations Contributing to New Zealand's Security, Stability and Interests (M22) (A27)**

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *Military Operations in Support of a Rules-Based International Order*

This category is limited to the costs of generating operational military capabilities and the employment of the New Zealand Armed Forces for the conduct of operations, as directed by the Government.

##### *Military Operations that Contribute to Regional Security*

This category is limited to the costs of providing specialised support to all-of-government efforts to maintain security and stability in New Zealand's immediate neighbourhood including responses to events that impact on the safety and wellbeing of regional populations, as directed by the Government.

### *Expenses, Revenue and Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>30,795</b>	<b>3,977</b>	<b>34,772</b>
<b>Departmental Output Expenses</b>			
Military Operations in Support of a Rules-Based International Order	30,286	3,977	34,263
Military Operations that Contribute to Regional Security	509	-	509
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>30,486</b>	<b>3,977</b>	<b>34,463</b>
Military Operations in Support of a Rules-Based International Order	30,022	3,977	33,999
Military Operations that Contribute to Regional Security	464	-	464
<b>Revenue from Others</b>	<b>309</b>	<b>-</b>	<b>309</b>
Military Operations in Support of a Rules-Based International Order	264	-	264
Military Operations that Contribute to Regional Security	45	-	45



### *Reasons for Change in Appropriation*

This appropriation increased by \$3.977 million to \$34.772 million for 2021/22. The increase relates to funding transferred from other Departmental appropriations for the assistance in the self-defence of Ukraine.

### **Policy Advice And Other Services For Veterans (M75) (A27)**

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities, and the provision of services and payments to veterans.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

###### *Administration Services*

This category 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 category is limited to the provision of policy 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.

###### *Services and Payments to Veterans*

This category is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions, and allowances and 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.

### *Expenses, Revenue and Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>10,447</b>	<b>1,500</b>	<b>11,947</b>
<b>Departmental Output Expenses</b>			
Administration Services	2,884	-	2,884
Policy Advice	230	-	230
Services and Payments to Veterans	7,333	1,500	8,833
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>10,447</b>	<b>1,500</b>	<b>11,947</b>
Administration Services	2,884	-	2,884
Policy Advice	230	-	230
Services and Payments to Veterans	7,333	1,500	8,833

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.500 million to \$11.947 million for 2021/22 due to a transfer of funding from other Departmental appropriations to align funding to the delivery of outputs.

## **Protection of New Zealand and New Zealanders (M22) (A27)**

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *Assistance to the Civil Power and Provision of a Public Service in Emergency Situations*

This category is limited to the costs of specialist military capabilities and Defence Force resources provided to the civil power in an emergency and for urgent work of national importance.

##### *Defence International Engagement*

This category is limited to the provision of services and utility of the Defence Force to support foreign policy objectives that strengthen security and avert conflict.

##### *Defence Support to the Community*

This category is limited to the costs of providing Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.

##### *Military Assistance to Civil Authorities in Non-Emergency Situations*

This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.

##### *Resource and Border Protection Operations*

This category is limited to the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.

### *Expenses, Revenue and Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>629,091</b>	<b>10,236</b>	<b>639,327</b>
<b>Departmental Output Expenses</b>			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	199,312	1,126	200,438
Defence International Engagement	107,080	(6,194)	100,886
Defence Support to the Community	59,454	2,350	61,804
Military Assistance to Civil Authorities in Non-Emergency Situations	38,894	1,191	40,085
Resource and Border Protection Operations	224,351	11,763	236,114

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>600,720</b>	<b>9,064</b>	<b>609,784</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	197,712	1,126	198,838
Defence International Engagement	96,013	(6,194)	89,819
Defence Support to the Community	47,740	1,178	48,918
Military Assistance to Civil Authorities in Non-Emergency Situations	37,876	1,191	39,067
Resource and Border Protection Operations	221,379	11,763	233,142
<b>Revenue from Others</b>	<b>28,371</b>	<b>1,172</b>	<b>29,543</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	1,600	-	1,600
Defence International Engagement	11,067	-	11,067
Defence Support to the Community	11,714	1,172	12,886
Military Assistance to Civil Authorities in Non-Emergency Situations	1,018	-	1,018
Resource and Border Protection Operations	2,972	-	2,972

### *Reasons for Change in Appropriation*

This appropriation increased by \$10.236 million to \$639.327 million for 2021/22 due to:

- increased funding of \$6.858 million for the increase in capital charge as a result of the uplift in the valuation of land and buildings
- increased funding of \$4.875 million for the increase in the depreciation expense as a result of capital investments and committed capital spends
- increased funding of \$4.117 million for the increase in the depreciation expense as a result of the uplift in the valuation of land and buildings, and
- increased funding of \$2.370 million from other Government agencies for the recovery of building costs for the Youth Development Unit facility in Whenuapai.

This is partially offset by:

- decreased funding of \$7 million for the alignment of funding to outputs
- decreased funding of \$724,000 from other Government agencies for the reduction in the number of Limited Service Volunteer courses able to run during the year, and
- decreased funding of \$260,000 which was transferred from this appropriation to assist with the self-defence of Ukraine.