

Performance Information for Appropriations

Vote Defence Force

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Defence (M22)

ADMINISTERING DEPARTMENT: New Zealand Defence Force

MINISTER RESPONSIBLE FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister of Defence is responsible for appropriations in Vote Defence Force, totalling just over \$2,628 million, for the 2008/09 financial year covering the following:

- a total of nearly \$2,008 million on the Navy, Army, and Air Force to provide the Government with a range of military forces to protect and advance the security and interests of New Zealand. These forces are held at appropriate levels of capability and preparedness to protect New Zealand's territorial sovereignty and to contribute to regional and global security efforts. Most of these forces will also contribute a range of services to other government departments and the New Zealand community when not committed to operations overseas. The breakdown of appropriations, by Service, is as follows:
 - Navy: just over \$658 million
 - Army: just over \$774 million
 - Air Force: just over \$575 million
- a total of just over \$54 million on operationally deployed forces [previously under a three-year (2005/06 to 2007/08) Multi-Year Appropriation]
- a total of nearly \$14 million on a Multi-Class Output Appropriation (MCOA), Miscellaneous Support Activities, that includes New Zealand Defence Force support to the Mutual Assistance Programme, the New Zealand Cadet Forces, the Limited Service Volunteer Scheme (a service provided to the Ministry of Social Development) and Service Military Museums
- a total of just over \$10 million on military policy development, coordination and advice to the Government
- a Capital Expenditure appropriation of \$542 million for the purchase of assets, including items on the Defence Long-Term Development Plan.

The New Zealand Defence Force expects to recognise about \$19 million in third-party revenue (Revenue Department and Revenue Other) in 2008/09.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Defence Act 1990

Under the Defence Act 1990, New Zealand's Armed Forces are raised and maintained for:

- the defence of New Zealand and the protection of its interests, whether in New Zealand or elsewhere
- the contribution of forces under collective security treaties, agreements or arrangements
- the contribution of forces to the UN or other organisations or States for operations in accordance with the principles of the charter of the UN.

The Defence Act 1990 also allows the Armed Forces to be made available for the performance of public services and assistance to the civil power in time of emergency, either in New Zealand or elsewhere.

Primary Mission of the New Zealand Defence Force

The primary mission of the NZDF remains:

“To secure New Zealand against external threat, to protect our sovereign interests, including in the Exclusive Economic Zone, and to be able to take action to meet likely contingencies in our strategic area of interest”.

Link to Government’s Priorities

The NZDF mission is primarily linked to the Government Priority Theme of *National Identity* (sub-theme *New Zealand in the World*) and the connotation that, as New Zealanders, we celebrate our identity in a world as people who support and defend freedom and fairness. This theme links with the Government policy to not only provide Defence Force contributions to the resolution of conflict and maintenance of stability, particularly the international roles of peacekeeping and humanitarian relief operations, but also to the wide range of assistance that is provided by the NZDF to other government departments and the wider New Zealand community. National Identity also carries the belief that New Zealanders understand our history as a nation and our stance on international issues. The NZDF also has less obvious links with the Government Priority Themes of Economic Transformation and Families - young and old, as noted in more detail in the *NZDF 2008/2011 Statement of Intent*.

New Zealand’s Defence Policy Objectives

The primary goal of Vote Defence Force is to prepare an effective Defence Force capable of meeting the Government’s defence policy goals.

The *Defence Policy Framework*, issued by the Government in June 2000, provides a framework for future decisions about military capabilities, resources and funding. It articulates the Government’s goals and priorities for defence. Subsequent Government statements, such as those of 8 May 2001 (*A Modern Sustainable Defence Force matched to New Zealand’s needs*), the *Defence Long-Term Development Plan* (LTDP) of 11 June 2002 (and subsequent annual updates to that plan) and the *Defence Sustainability Initiative* (DSI) of 2 May 2005, added detail to the earlier strategic document. The *Defence Policy Framework* sets out five key defence policy objectives, and appropriations are sought to support them. The defence policy objectives are to:

- defend New Zealand and to protect its people, land, territorial waters, EEZ, natural resources and critical infrastructure
- meet our alliance commitments to Australia by maintaining a close defence partnership in pursuit of common security interests
- assist in the maintenance of security in the South Pacific and to provide assistance to our Pacific neighbours
- play an appropriate role in the maintenance of security in the Asia-Pacific region, including meeting our obligations as a member of the Five Power Defence Arrangements
- contribute to global security and peacekeeping through participation in the full range of UN and other appropriate multilateral peace support and humanitarian operations.

The following table shows how the day to day delivery of NZDF Output Expenses, for which appropriations are sought, are linked and contribute to the Government’s Priorities and Outcomes for Defence.

Contribution of Appropriations to Government Priorities and Outcomes

Appropriations	Government Priorities - Themes/Sub-themes	Government Outcomes
<p>Departmental Appropriations: <i>Military Policy Development, Coordination and Advice</i></p> <p>For Navy: <i>Naval Combat Forces</i> (the two ANZAC class frigates) <i>Naval Support Forces</i> (Amphibious Sealift Ship and Fleet Replenishment Ship) <i>Mine Counter Measure (MCM) and MCM Diving Forces</i> (MCM Vessel and Operational Diving Team) <i>Naval Patrol Forces</i> (the two Offshore and four Inshore Patrol Vessels) <i>Military Hydrography, and Hydrographic Data Collection and Processing for Land Information New Zealand</i></p> <p>For Army: <i>Land Combat Forces</i> [command and control, intelligence and manoeuvre force elements (infantry and reconnaissance)] <i>Land Combat Support Forces</i> (artillery, engineers, communications and military police) <i>Land Combat Service Support Forces</i> (transport, medical, supply, repair and movements) <i>Special Operations Forces</i> (special land operations, counter-terrorist operations, and forces to deal with chemical, biological, radiological and explosive improvised explosive devices)</p> <p>For Air Force: <i>Naval Helicopter Forces</i> (five Seasprite SH-2G maritime helicopters) <i>Maritime Patrol Forces</i> (six P-3K Orion surveillance aircraft) <i>Fixed Wing Transport Forces</i> (two Boeing 757 and five C-130 Hercules Aircraft) <i>Rotary Wing Transport Forces</i> (fourteen UH-1H Iroquois helicopters)</p> <p>Others: <i>Operationally Deployed Forces</i> (operational commitments as approved by the Government) <i>Miscellaneous Support Activities</i> (support to the Mutual Assistance Programme, New Zealand Cadet Forces, Limited Service Volunteers, and Service Military Museums)</p>	<p>Theme: National Identity Sub-theme: New Zealand in the World</p>	<p>Main Outcome: New Zealand secure and protected from external threats now and in the future.</p> <p>Intermediate Outcomes: Secure New Zealand, including its people, land, territorial waters, exclusive economic zone, natural resources and critical infrastructure Reduced risks to New Zealand from regional and global insecurity New Zealand values and interests advanced through participation in regional and international security systems New Zealand is able to meet future national security challenges.</p>

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2003/04	2004/05	2005/06	2006/07	2007/08		2008/09			2009/10	2010/11	2011/12
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	1,529,740	1,522,510	1,657,820	1,814,698	1,886,246	1,886,246	2,086,176	-	2,086,176	2,011,537	2,012,675	2,015,045
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	1,665	2,700	2,700	-	-	-	-	-	-
Capital Expenditure	486,910	338,619	428,827	611,993	412,152	373,925	541,956	-	541,956	437,598	315,870	224,918
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	2,016,650	1,861,129	2,086,647	2,428,356	2,301,098	2,262,871	2,628,132	-	2,628,132	2,449,135	2,328,545	2,239,963
Crown Revenue and Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	-	-	-	-

Budget Policy Initiatives

Policy Initiative	Appropriation	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Defence Funding Package - Year 4 (To provide for the recognition of the Budget 2008 element of a Budget 2005 agreement to restore military and organisational capability through eventual new funding of \$4.6 billion, as a charge against future budgets).	Military Policy Development, Coordination and Advice Departmental Output Expense	-	(44)	(44)	(44)	(44)
	Naval Combat Forces Departmental Output Expense	-	15,218	15,218	15,218	15,218
	Naval Support Forces Departmental Output Expense	-	4,839	4,839	4,839	4,839
	Mine Countermeasures (MCM) and MCM Diving Forces Departmental Output Expense	-	1,002	1,002	1,002	1,002
	Naval Patrol Forces Departmental Output Expense	-	4,234	4,234	4,234	4,234
	Military Hydrography, and Hydrographic Data Collection and Processing for LINZ Departmental Output Expense	-	1,088	1,088	1,088	1,088
	Land Combat Forces Departmental Output Expense	-	12,537	12,537	12,537	12,537
	Land Combat Support Forces Departmental Output Expense	-	7,746	7,746	7,746	7,746
	Land Combat Service Support Forces Departmental Output Expense	-	6,269	6,269	6,269	6,269
	Special Operations Forces Departmental Output Expense	-	3,091	3,091	3,091	3,091
	Naval Helicopter Forces Departmental Output Expense	-	2,619	2,619	2,619	2,619
	Maritime Patrol Forces Departmental Output Expense	-	4,185	4,185	4,185	4,185
	Fixed Wing Transport Forces Departmental Output Expense	-	4,314	4,314	4,314	4,314
	Rotary Wing Transport Forces Departmental Output Expense	-	2,008	2,008	2,008	2,008
Sub Total		-	69,106	69,106	69,106	69,106
Expense Transfer to provide for 2008/09 and outyears operating pressures.	Military Policy Development, Coordination and Advice Departmental Output Expense	431	(1,171)	-	-	-
	Naval Combat Forces Departmental Output Expense	(14,351)	(12,367)	-	-	-
	Naval Support Forces Departmental Output Expense	(3,793)	7,230	-	-	-

Policy Initiative	Appropriation	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
	Mine Countermeasures (MCM) and MCM Diving Forces Departmental Output Expense	(1,188)	(5,431)	-	-	-
	Naval Patrol Forces Departmental Output Expense	(3,738)	11,024	-	-	-
	Military Hydrography, and Hydrographic Data Collection and Processing for LINZ Departmental Output Expense	(415)	(73)	-	-	-
	Land Combat Forces Departmental Output Expense	(15,884)	5,006	-	-	-
	Land Combat Support Forces Departmental Output Expense	(7,182)	16,547	-	-	-
	Land Combat Service Support Forces Departmental Output Expense	(6,453)	21,963	-	-	-
	Special Operations Forces Departmental Output Expense	(2,798)	9,240	-	-	-
	Naval Helicopter Forces Departmental Output Expense	(2,888)	(1,068)	-	-	-
	Maritime Patrol Forces Departmental Output Expense	(3,806)	9,642	-	-	-
	Fixed Wing Transport Forces Departmental Output Expense	(4,312)	(45)	-	-	-
	Rotary Wing Transport Forces Departmental Output Expense	(1,452)	7,503	-	-	-
	Miscellaneous Support Activities Departmental Output Expense	(171)	-	-	-	-
Sub Total		(68,000)	68,000	-	-	-
Transfer dedicated Operationally Deployed Forces funding for future activity. (To ensure residual Multi-Year Appropriation funding remains available to provide for Operationally Deployed Forces commitments agreed by the Government).	Operationally Deployed Forces Departmental Output Expense	(7,313)	7,313	-	-	-
Sub Total		(7,313)	7,313	-	-	-
Disposal Costs - Other Expense	An accounting treatment, should it become necessary, for the expensing, by 30 June 2008, of items included in the NZDF Statement of Financial Position; in accordance with Audit New Zealand advice	2,700	-	-	-	-
Sub Total		2,700	-	-	-	-
Total Initiatives		(72,613)	144,419	69,106	69,106	69,106

Analysis of Significant Trends

Total Vote: All Appropriations

The *departmental appropriations* in Vote Defence Force, which are detailed in the Summary of Financial Activity table above, show the significant changes discussed briefly below.

Departmental Output Expense Appropriations

The following changes are noted:

- While there were funding increases in 2004/05, primarily to address Service personnel pay, the maintenance of effective Air Force personnel levels, continuation of New Zealand's commitment to the Provincial Reconstruction Team in Afghanistan and other overseas operational commitments, and operating implications and pre-acquisition funding for the Long-Term Development Plan (LTDP), this was offset by reductions in funding required for operational commitments (withdrawal of the battalion group from Timor Leste and reduced commitments to Afghanistan and the Solomon Islands), a planned reduction in Navy personnel and operating expenses, and a reduction in the rate of Capital Charge from 8.5% to 8%. Subsequently, a decision was made to transfer \$19 million from 2004/05 to 2005/06 to provide early traction for the Defence Sustainability Initiative (DSI), resulting in an overall net decrease of \$7 million between 2003/04 and 2004/05.
- The total increase of \$135 million between 2004/05 and 2005/06 was primarily made up from: increases from the first year (2005/06) DSI funding package allocation and Project Protector operating costs of some \$64 million; a transfer from 2004/05 to 2005/06 of \$19 million; an asset revaluation of \$37 million; and a decrease from the transfer of \$7 million to the MYA Operationally Deployed Forces.
- The total increase in annually appropriated output expenses of almost \$157 million between 2005/06 and 2006/07 is shown in the following table:

Item	\$ million
DSI Funding Package (2006/07)	73
Project Protector funding	26
New Defence House funding	5
Expense Transfer from 2004/05 to 2005/06	(19)
Operation Enduring Freedom funding transfer to MYA	(11)
Capital Charge adjustments for 2006/07, including rate reduction to 7.5%	(3)
2006/07 Capital Charge savings (rate-related)	2
Depreciation Impact of 30 June 2006 Asset Revaluation	42
Gross Capital Charge Impact of 20 June 2006 Asset Revaluation	33
Absorb 0.001% Capital Charge savings ex Rate Change 2006 March Baseline Update	(5)
Reinstate prior transfers from MYA	10
Transfer Depreciation savings to 2007/08 Capital Injection	(10)
Operationally Deployed Forces - MYA phasing difference	13
Miscellaneous	1
Total	157

- The total increase in annually appropriated output expenses of \$71 million between 2006/07 and 2007/08 is shown in the following table:

Item	\$ million
DSI Funding Package (2007/08)	58
Project Protector increment	29
Transfer Depreciation Savings	10
Technical Adjustment (mainly Capital Charge)	2
Expense Transfer to 2008/09 from 2007/08	(68)
Operationally Deployed Forces (Phasing Differences)	34
2006/07 Surplus Repaid	6
Total	71

Other Expenses

- The Other Expense appropriation of \$1.665 million in 2006/07, by way of a write-off, was a technical adjustment to provide for asset-related costs held on the NZDF balance sheet to be written off by 30 June 2007, in accordance with Audit New Zealand advice.

Comparison: 2007/08 with 2008/09

Departmental Output Expenses

As advised in this Vote since 2005/06, funding for the Output Expense *Operationally Deployed Forces* was placed under a three-year, Multi-Year Appropriation (MYA) for the period 2005/06 - 2007/08. From 1 July 2008 Operationally Deployed Forces will be appropriated annually.

Appropriations for the purchase of NZDF outputs for the year ending 30 June 2009 include the following Cabinet-agreed departmental output expense funding changes that were considered during the 2008 Budget process:

- An increase of \$69.106 million in 2008/09, and outyears, being the fourth year funding package under the Defence Sustainability Initiative (DSI). This increase in funding will go towards, primarily, sustainment of personnel growth, future personnel growth, operating costs, depreciation impacts associated with new equipment, and continuation of the maintenance upgrade of NZDF infrastructure.
- Expense Transfer of \$68 million from 2007/08 to 2008/09 to provide for 2008/09 and outyears operating pressures.
- Transfer of the residual MYA funding of \$7.313 million from 2007/08 to 2008/09 to ensure that this funding remains available to fund the Output Expense *Operationally Deployed Forces*.

The annual departmental output expense appropriations sought for Vote Defence Force in 2008/09 exceed those for 2007/08 by almost \$200 million. The major items and values that contribute to this increase are shown in the following table:

Item	\$ million
DSI Funding Package (2008/09)	69
Expense Transfer (comparative) 2007/08 decrease	68
Expense Transfer (comparative) 2008/09 increase	68
Project Protector increment	8
Capital Charge - technical changes	6
Response to Joint Working Group - Concerns of Vietnam Veterans - in 2007/08 only	(1)
Historic Transfers to MYA (Operationally Deployed Forces) from Annual Expenses	(2)
Operationally Deployed Forces - Difference between MYA (\$70 million) in 2007/08 and Annual in 2008/09 (\$53 million)	(17)
Project KiwiImage (All of Government Imagery Purchase)	1
Total	200

Other Expenses

- Disposal costs, as an Other Expense of \$2.700 million for the expensing, by 30 June 2008, of items included in the NZDF Statement of Financial Position; in accordance with Audit New Zealand advice.

Capital Expenditure

- The Capital Expenditure appropriations shown in the Trends table between 2003/04 and 2011/12 disclose the annual payments for equipment purchases under the Defence Long-Term Development Plan (LTDP) to be made to the Ministry of Defence, and for NZDF managed capital projects.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

What *impacts* are the NZDF striving to achieve through delivering current NZDF Outputs? Most of the NZDF's day-to-day activities in New Zealand, and for which it is funded, are designed to prepare the force elements of the Navy, Army and Air Force to contribute to operations as approved by the Government of the day. This makes the NZDF different from most other government departments in that those departments, in their day-to-day activities, are actually delivering their 'end product' (their services), whereas the NZDF's ultimate 'end product' is the effective contribution of NZDF force elements to operational missions - through the NZDF Output Expense *Operationally Deployed Forces* and, in the New Zealand environment, *Multi-Agency Operations and Tasks*. The focus of what the NZDF does, therefore, is primarily geared to this ultimate 'end product' or goal. The *impacts* that the NZDF are hoping to achieve through the delivery of current NZDF Outputs are shown in the following table:

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
NZDF contributions to Government-approved operational missions and deployments is of a high standard in terms of personnel and equipment; personnel and equipment that is <i>Ready, Combat Capable, Deployable</i> and <i>Sustainable</i> .	Operationally Deployed Forces
On-going and improved advice to Government in the areas of: <ul style="list-style-type: none"> • Military Intelligence • Military Policy - generally (in concert with the Ministry of Defence) • Operational Military Policy • Ministerial Correspondence and Parliamentary Questions 	Military Policy Development, Coordination and Advice
Enhanced military capability of the Force Elements of the Navy, Army and Air Force: <ul style="list-style-type: none"> • To better provide Government with choice in the deployment of NZDF capabilities • To better provide support for Multi-Agency Operations and Tasks (supporting other government departments) • To support the wider New Zealand community, when available and not committed to operations 	Naval Combat Forces Naval Support Forces Mine Countermeasures (MCM) and MCM Diving Forces Naval Patrol Forces Military Hydrography, and Hydrographic Data Collection and Processing for Land information New Zealand (LINZ) Land Combat Forces Land Combat Support Forces Land Combat Service Support Forces Special Operations Forces Naval Helicopter Forces Maritime Patrol Forces Fixed Wing Transport Forces Rotary Wing Transport Forces
Continued high quality support to NZDF miscellaneous activities, namely: <ul style="list-style-type: none"> • Support to the Mutual Assistance Programme (MAP) • Support to New Zealand Cadet Forces • Support to Limited Service Volunteer (LSV) Training • Support to Service Military Museums 	<i>Multi-Class Output Appropriations:</i> Miscellaneous Support Activities

NZDF Performance Information

Prior to detailing the expected performance of each of the NZDF's Output Expenses [including the Multi-Class Output Appropriation (MCOA)] for which appropriations are sought, it is necessary to provide information on three essential elements of the NZDF's performance measurement process. This information is necessary for a proper understanding of the performance indicators and performance rating scale, used under the NZDF's *Operational Preparedness and Reporting System (OPRES)*, and *Employment Contexts* which, together, form the basis against which 13 of the NZDF's 16 Output Expenses are assessed. Rather than repeating this information against every one of the relevant 13 Output Expenses, it is recorded here to refer back to, as required. The information is contained under the next few headings.

Indicative Key Performance Indicators and Performance Measures

The table that follows shows the indicative Key Performance Indicators (KPIs) and Performance Measures used for all Force Elements of the Navy, Army and Air Force. These are applicable to all NZDF Output Expenses relating to the Navy, Army and Air Force which appear later in this part of the Information Supporting the Estimates of Appropriations. The table is *indicative* as the actual measures used by each of the Services do vary slightly; this reflects that the Navy and Air Force are primarily based on platforms, whereas the Army is based more on personnel. The Service-specific KPIs are detailed in appropriate NZDF directives.

Within the NZDF Operational Preparedness and Reporting System (OPRES), the performance of all force elements is assessed against the four elements of Preparedness of *Readiness, Combat Viability, Deployment and Sustainability*. Within each of these elements, measures are applied to, predominately, personnel and equipment - as shown in the following table:

Key Performance Indicators	Performance Measures
Readiness:	
Directed Level of Capability (DLOC) Establishment Filled	% of Unit's DLOC Establishment that is filled
Personnel Continuity	% of personnel turnover in the last six months
Key Personnel Appointments Filled Over Time	% of key appointments filled by qualified personnel
Equipment Serviceability	% of Unit Establishment platforms/equipments that are serviceable
Individual and Unit Level Training Completed	% of individual/unit Readiness Training Activities (RTA) completed within reporting period
Mission Critical Platform/Combat System/DLOC Aircraft Availability	% of programmed operating time in which the ship's platform/combats systems were available/% of DLOC aircraft available
Sufficiency of Readiness Training Activities (RTA) Equipments, Expendable Stocks and Munitions	% of stocks and live/practice munitions available for required Readiness Training Activities
Combat Viability:	
Adequacy of Tactics, Techniques and Procedures	% mission success and element survivability enabled by tactics, techniques and procedures.
Collective Proficiency in Employment Context (EC) Tasks	% of collective/joint/ combined exercises covering EC essential tasks completed.
Standardisation	The degrees of interoperability allowed by the level of standardization (as defined by NATO, ASIC and ABCA) with friendly forces for the EC Mission Essential Tasks (METs).
Mission Critical Equipment Operational Viability or Suitability	% mission success enabled (or restrictions on mission) by technology or equipment performance.
Equipment Reliability for Mission Critical Systems	% degradation of EC essential tasks at OLOC operating tempo due to equipment reliability.

Key Performance Indicators	Performance Measures
Deployability:	
EC Specific Operational Level of Capability (OLOC) Generation and Contingency Plans	Plans distributed, reviewed and validated current (annually)
Critical Equipment Deficiency Correction within Response Time	% of Critical Deficiencies that can be corrected within Response Time (RT)
Sufficiency of Deployment Expendable Stocks and Munitions	% of live/practice munitions and stocks available for OLOC generation and retention, including the Operational Viability Period (OVP)
Serviceability and Availability of OLOC Generation Equipments	% of OLOC generation equipments serviceable and available
Availability of OLOC Generation Personnel	% of Personnel available for OLOC generation
Sustainability:	
Availability of Replacement Personnel	% of Service personnel to provide for sustainment
Key Equipment Repairability	% of operating time during which Force Element availability is degraded at OLOC operating tempo by repair times
Availability of Sustainment Equipment, Stocks and Munitions	% of sustainment equipment, stocks and munitions avail or obtainable within RT + OVP
Availability of Replacement Equipment	% of replacement equipment avail or obtainable within RT + OVP
Materiel Supply Times	% of operating time during which Force Element availability is degraded at OLOC operating tempo by supply times
Ability to Achieve and Sustain Operating Tempo to Achieve Tactical Objectives	% operating tempo able to sustain throughout duration of deployment (due to aircraft/equipment serviceability and availability)

NZDF Operational Preparedness and Reporting System (OPRES) Performance Rating Scale

The following Performance Rating Scale is used, within OPRES, to quantify Force Element performance in achieving preparedness relative to the Directed Level of Operational Capability (DLOC):

Rating	Meaning
P1	Fully Prepared - at the Directed Level of Operational Capability (DLOC). It means that the standards required for all measurement areas, under OPRES, have been achieved by between 90 to 100%
P2	Substantially Prepared - below DLOC. The force element requires minimal resource input such that the Response Time is projected to be extended by up to the order of 33% in the applicable Employment Context (EC). It means that the standards required for all measurement areas, under OPRES, have been achieved by between 80 and 89%
P3	Partially Prepared - below DLOC. The force element requires a substantial resource input such that the Response Time is projected to be extended by a period in the order of between 34% and 50% in the applicable EC. It means that the standards required for all measurement areas, under OPRES, have been achieved by between 70 to 79%
P4	Not Prepared - below DLOC. The force element requires a level of resource input such that the Response Time for the applicable EC could be expected to be extended by more than 50%. It means that the standards required for all measurement areas, under OPRES, have been achieved by less than 70%
P5	Unavailable for Assessment - The force element/capability is unavailable for assessment. This could be as a result of a capability being deployed, commissioned, or introduced.

External Audit of the NZDF's Performance

It should be noted that, other than the NZDF's internal mechanisms for measuring performance, the following agencies also have a major role to play in evaluating the performance of the NZDF, including Output performance:

- The Evaluation Division of the Ministry of Defence
- The Office of the Controller and Auditor General, and
- Audit New Zealand.

Employment Contexts

Strategic guidance provides information on the circumstances in which the Government may choose to use military forces. The NZDF uses this guidance to develop geographically grouped *Employment Contexts*. Employment Contexts are descriptions of representative and illustrative security events for which there is a likelihood that a New Zealand Government would expect to make a military response should they occur. Employment Contexts are selected through assessment of New Zealand's geo-strategic situation and international security trends. The Employment Contexts are chosen on the basis of their likelihood of occurrence in the near and longer terms and the consequences for New Zealand's *Defence Outcomes* if the NZDF was unable to provide an appropriate response. Employment Contexts include high level *Operational Concepts* which, in turn, drive Services' and joint *Mission Essential Tasks* (METs), that is, those tasks that the deployed forces must be able to perform. The METs drive the priorities for the Services' and joint annual training activities and which determine the output parameters that need to be delivered in order to meet the Government's requirements. The Employment Contexts also designate the anticipated time (known as the *Response Time*) available for the final preparation of force elements for their operational deployment; this affects the level of capability that must be maintained on an annual basis. Concepts for Operations and Contingency Plans can then be developed for relevant Employment Contexts. Current Employment Context Operational Concepts list the most likely force elements that would be involved in each security event. These force element lists are a guide only and are not exhaustive; each security event may require the addition or deletion of some force elements. Employment Contexts provide the detail that ensures the NZDF output quality dimension is consistent with defence policy. The Employment Contexts (ECs), which are covered in more detail in the NZDF Output Plan and other NZDF-internal documents, are as follows:

- **EC 1 - Security Challenges and Defence Tasks in New Zealand and its environs:**
 - EC 1A - Illegal exploitation of marine resources within the New Zealand EEZ, and other low-level threats to New Zealand territorial sovereignty.
 - EC 1B - Natural and manmade disasters.
 - EC 1C - Support to the delivery and maintenance of essential services in exceptional circumstances, including the hosting of major events.
 - EC 1D - Terrorist and Asymmetric Threats.
 - EC 1E - Support for Antarctic presence.
- **EC 2 - Security Challenges to New Zealand's Interests in the South Pacific:**
 - EC 2A - Illegal exploitation of marine resources within South Pacific EEZs, and other low-level threats to South Pacific nations' territorial sovereignty.
 - EC 2B - Natural and manmade disasters.
 - EC 2C - State failure or fragility leading to internal conflict and/or humanitarian crisis.
 - EC 2D - Terrorist Threats.
 - EC 2E - Challenges to legitimate governments, including civil war and secessionist conflict.

- **EC 3 - Challenges to New Zealand and Australia Common Security Interests:**
 - EC 3A - Illegal exploitation of marine resources within Australia's EEZ, and other low-level threats to Australia's territorial sovereignty.
 - EC 3B - Natural or manmade disasters.
 - EC 3C - External aggression against Australia.
 - EC 3D - Terrorist or Asymmetric Threats.
- **EC 4 - Security Challenges to New Zealand's Interests in the Asia-Pacific Region:**
 - EC 4A - Aggression to alter maritime boundaries or seize resources, or threats to freedom of navigation.
 - EC 4B - Natural or manmade disasters.
 - EC 4C - State failure or fragility leading to internal conflict and/or humanitarian crisis.
 - EC 4D - Terrorist Threats.
 - EC 4E - Weapons of Mass Destruction (WMD) proliferation.
 - EC 4F - Inter-State conflict.
 - EC 4G - Acts of piracy and people smuggling.
- **EC 5 - Security Challenges to New Zealand's Interests in Global Peace and Security:**
 - EC 5A - Aggression to alter maritime boundaries or seize resources, or threats to freedom of navigation.
 - EC 5B - Unresolved conflict or conflict resolution process where protagonists have sought third party resolution assistance.
 - EC 5C - State failure or fragility leading to internal conflict and/or humanitarian crisis.
 - EC 5D - Terrorist Threats.
 - EC 5E - WMD proliferation.
 - EC 5F - Contravention of international norms that triggers a multi-national response.
 - EC 5G - Major breakdown in international security leading to wide-scale war.

Services in Support of the Community - including Multi-Agency Operations and Tasks (MAO&T)

General

Conducting the training activities needed to maintain the Directed Level of Capability (DLOC) for operational employment also produces within the NZDF the capacity to deliver a range of services in support of other government departments, the community, and foreign and defence policy objectives.

Approval levels for the provision of these services range from Cabinet/Ministerial level for significant events to unit commanders for minor local support tasks. Generally, however, tasks will be approved on the direction of the Chief of Defence Force, a Service Chief (Navy/Army/Air Force), or the Commander Joint Forces NZ. Details are contained in Defence Force Orders 1 (DFO 1), Chapter 13 - Assistance to Community Organisations.

Some general services are pre-planned or are, at least, reasonably predictable. Such tasks include ceremonial support, and planned assistance to the NZ Antarctic Programme, the Department of Conservation (DOC) and the NZ Police. The frequency of other tasks, primarily of an emergency nature

such as search and rescue, assistance to civil defence and fire fighting, are less predictable. The NZDF maintains elements at specified degrees of notice (DON) for response to such emergencies.

The main NZDF elements that are to be available for emergency tasks, listed by Service, are shown in the following table:

Service	Elements Available for Emergency Tasks [with Degree of Notice (DON) where applicable]
Navy	<ul style="list-style-type: none"> • One frigate (or alternative vessel) at 8 hours DON for emergency tasks, including Search and Rescue (SAR) and Medical Assistance/Evacuation. • One Inshore Patrol Vessel (IPV), once in service, at 8 hours DON for emergency tasks, including SAR. • One Diving Team at 12 hours DON for emergency tasks, including under-water search and Explosive Ordnance Disposal (EOD). [Note: EOD only as Improvised Explosive Device Disposal (IEDD) comes under Output Expense <i>Special Operations Forces</i>]. • One 25-person Civil Defence Response Group. • On-shore personnel for fire fighting, as available.
Army	<ul style="list-style-type: none"> • Personnel in the North Island and South Island at 48 hours DON for emergency tasks, including SAR, Fire Fighting, and Casualty/Medical Evacuation. • HQ elements on call for Civil Defence in the North Island and South Island to support a Civil Defence HQ. • Four 25-person Civil Defence Response Groups. • Two 100-person Civil Defence Response National Reserve Groups. • One 500-person Reserve for Civil Defence. • EOD Teams in North Island and South Island at 12 hours DON. [Note: EOD only as Improvised Explosive Device Disposal (IEDD) comes under Output Expense <i>Special Operations Forces</i>]. • In-camp personnel for fire fighting, as available.
Air Force	<ul style="list-style-type: none"> • One Iroquois helicopter at 2 hours DON for emergency tasks, including SAR, Fire Fighting and Casualty Evacuation. • One Orion (or one Hercules if an Orion is not available) at 2 hours DON for emergency tasks, including SAR and Aeromedical Evacuation. • One Hercules at 14 hours DON for emergency tasks. • One EOD Team at 12 hours DON. [Note: Explosive Ordnance Disposal (EOD) only as Improvised Explosive Device Disposal (IEDD) comes under Output Expense <i>Special Operations Forces</i>]. • One 25-person Civil Defence Response Group at each Air Base, and elements to support a Civil Defence HQ. • On-base personnel for fire fighting, as available.

Multi-Agency Operations and Tasks (MAO&T)

The term Multi-Agency Operations and Tasks (MAO&T) is used in many of the NZDF Output Performance Tables contained in this document. The term is used within the relevant tables to draw a clear distinction between “general support” to the community and the more formal, pre-planned support to specific government departments and agencies, under the whole of government approach to, for example, protection of the New Zealand EEZ and border security. MAO&T refer to the formal operational support and training for such operations and tasks that the NZDF (Navy, Army and Air Force) provides, and that are being developed, with other government departments and agencies - such as the Ministry of Fisheries, NZ Customs Service, NZ Police, Ministry of Foreign Affairs and Trade, Department of Conservation, Maritime New Zealand (MNZ), and related agencies. The Navy and Air Force, in particular, work closely, individually and/or collectively, with such agencies. The Government has emphasised the general direction and increased importance of the civilian/military requirements associated with the NZ EEZ and border control.

The NZDF will continue to work closely with other government departments and agencies to plan formal arrangements for these requirements. It needs to be noted that, while existing formal support to other government departments and agencies will continue during 2007/08, significant increase in this support cannot be guaranteed until new / replacement / upgraded vessels and aircraft are introduced into service.

The reporting of MAO&T with government departments and other general support to the government and the community is to be, by exception, against the table below.

A list of indicative NZDF MAO&T, general support to the government and the community, and tasks in support of foreign and defence policy objectives are listed in the following table. The scale and frequency of such tasks, unless pre-programmed, are not forecast. However, a summary of actual support provided is required for reporting purposes, and will be included in the Annual Report of the NZDF.

List of Indicative MAO&T and General Support

NZDF Support to:	Indicative Support Details / Remarks
NZ Police (excluding Search and Rescue)	Typically involves: <ul style="list-style-type: none"> • MAO&T (including about 400 pre-planned Iroquois helicopter flying hours support). • RNZN ships (sea days). • Diving support. • Other general and "one-off" support and assistance.
Land, Sea and Air SAR (in support of NZ Police, Rescue Coordination Centre New Zealand (RCCNZ), NadiRCC, SuvaMCC, or other requesting agency)	Typically involves: <ul style="list-style-type: none"> • Orion / Hercules / Iroquois (flying hours). [Note: For planning purposes flying hours provided for SAR are: 150 Orion hours, 16 Hercules hours, and 60 Iroquois hours]. • RNZN ships (sea days). • Diving support. • Land search teams (man days). • Land transport (km). • Medical assistance (as required). • Rescue Coordination Centre New Zealand (RCCNZ) staffing support. • Logistic and other support (as required).
Ministry of Civil Defence and Emergency Management	Typically involves assistance, as requested, to declared national, regional or local Civil Defence emergencies (Details in DFO 91(1) NZJSP 102) and may involve: <ul style="list-style-type: none"> • Sea transport (sea days). • Fixed and rotary wing aircraft (flying hours). • Road transport (km). • Manpower (man days). • Logistic and other support. Reporting (for Quarterly and Annual reporting purposes) is to be provided on: <ul style="list-style-type: none"> • Actual support provided for specific Civil Defence Emergencies during the period. • Other general support (including manning of various CD HQs for training exercises).
Department of Conservation (DOC)	Typically involves: <ul style="list-style-type: none"> • Sea or air transport to off-shore islands (sea days / flying hours). • Manpower assistance on land (man days). • MAO&T. Other general support and assistance. For planning purposes, 400 x P-3K Orion flying hours are planned to enable the National Maritime Coordination Centre (NMCC) to provide support for the Ministry of Fisheries, NZ Customs Service, Department of Conservation, and other agencies.
Department of Corrections	Various support and assistance.
Environmental Risk Management Authority	Various support and assistance.
NZ Fire Service and National Rural Fire Authority	Typically involves: <ul style="list-style-type: none"> • Fire fighting assistance, mainly in rural areas. • Support for specific fire-fighting operations (includes 20 Iroquois flying hours). • Other general support and assistance, including training.

NZDF Support to:	Indicative Support Details / Remarks
Ministry of Fisheries	<ul style="list-style-type: none"> MAO&T (including RNZN ships and RNZAF aircraft - sea days and air flying hours). Any other general support and assistance. <p>For planning purposes, 400 x P-3K Orion flying hours are planned to enable the National Maritime Coordination Centre (NMCC) to provide support for the Ministry of Fisheries, NZ Customs Service, Department of Conservation, and other agencies.</p>
Ministry of Foreign Affairs and Trade (MFAT)	<ul style="list-style-type: none"> Port Visits, in support of MFAT. Typically involves 10 to 14 visits per year by major RNZN ships. Support for any specific events. Any other general support and assistance.
Government House	Any major support for specific events/activities. (It does not include routine, on-going NZDF staff support and Aides-De-Camp assistance).
Ministry of Health	Support for any specific events (such as health surveys or assistance in hospitals).
Department of Internal Affairs	<p>Typically involves:</p> <ul style="list-style-type: none"> Waitangi Guard ship. Provision of ceremonial guards for visiting dignitaries. Support to Anniversaries, such as ANZAC Day. Provision of national military contingents to overseas commemorations as directed. Other ceremonial support, including logistic support, as required.
Maritime New Zealand (MNZ)	<ul style="list-style-type: none"> MAO&T (including RNZN ships and RNZAF aircraft - sea days and air flying hours). Professional Maritime advice. Any other support.
New Zealand Customs Service	<ul style="list-style-type: none"> MAO&T (including RNZN ships and RNZAF aircraft - sea days and air flying hours). Any other support. <p>For planning purposes, 400 x P-3K Orion flying hours are planned to enable the National Maritime Coordination Centre (NMCC) to provide support for the Ministry of Fisheries, NZ Customs Service, Department of Conservation, and other agencies.</p>
Department of Prime Minister and Cabinet (DPMC)	<p>Typically involves:</p> <ul style="list-style-type: none"> Air transport (flying hours), including VIP flying. Sea transport (sea days / hours). Road transport (km). Logistic and administrative support as required (man days). <p>For planning purposes, flying hours provided for VIP flying are: 70 Boeing 757 hours, 25 Iroquois hours, and 100 King Air hours.</p>
Explosive Ordnance Disposal (EOD)	<p>Typically involves the provision of specialist EOD Team/s to render stray military ordnance safe. Requests for assistance are normally channelled through Regional or Local police direct to appropriate NZDF agencies.</p> <p>[Note that this does not include CBRE / IEDD that comes under Output Expense <i>Special Operations Forces</i>]</p>
Support to the NZ Antarctic Programme (NZAP)	<p>Involves NZDF support in accordance with an annual NZAP/NZDF agreed plan. Typically involves:</p> <ul style="list-style-type: none"> Hercules tasks to McMurdo Sound as agreed between the NZDF and Antarctic NZ. Freight movement, terminal operations and training assistance. Other assistance, on an annual basis, such as engineer support.
Disaster Relief (South Pacific)	<p>Typically involves:</p> <ul style="list-style-type: none"> Air reconnaissance (flying hours). Air and sea transport (flying hours and sea days). Helicopter support (flying hours). Land manpower support (man days). Logistic and other support (as required). <p>For planning purposes, flying hours provided for Disaster Relief Support are 50 Hercules hours and 15 Orion hours.</p>

NZDF Support to:	Indicative Support Details / Remarks
General Medical Assistance/Support	Typically involves: <ul style="list-style-type: none"> • Medical / mercy flights (flying hours). • Medical rescue by RNZN ship (sea days). • Hospital assistance, including ambulance support. • Hyperbaric treatment (number of treatments).
Detection of Pollution	Involves the detection and reporting of pollution, and any NZDF response / assistance as may be requested.
General Community Support	Typically involves: <ul style="list-style-type: none"> • Assistance to significant national and community events and could involve provision of: • Manpower (man days). • Sea, land and air transport (sea days / km / flying hours). • Logistic and other support.
General Training Courses	Typically involves the provision of training courses to other government departments and the community (schools / community groups): <ul style="list-style-type: none"> • Number of courses. • Manpower (man days). <p>This does not include the Limited Service Volunteer (LSV) Scheme that is reported separately under the Multi-Class Output Appropriation (MCOA) <i>Miscellaneous Support Activities</i>.</p>

Fixed Wing Transport Forces (M22)

Scope of Appropriation

Provision of the capabilities of No 40 Squadron RNZAF (Boeing 757-200 and C-130 Hercules aircraft) prepared to conduct strategic and tactical air transport operations, including aeromedical evacuation, in accordance with NZDF Output Plan specifications, and to contribute support services to the community.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	178,023	178,023	201,218
Revenue from the Crown	176,346	176,346	198,958
Revenue from Others	1,677	1,677	2,260

Reasons for Change in Appropriation

The bulk of the \$23 million increase in this appropriation mainly reflects the depreciation and capital charge increases associated with the upgrades to the C-130 Hercules and Boeing 727-200 aircraft, with a small amount from the Defence Funding Package increment for 2008/09.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
Two C-130 Hercules aircraft available for deployed military tasks - from a total fleet of five C-130 Hercules aircraft. To be sustainable on operations in accordance with Schedule 4 to the NZDF Output Plan.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
A third Hercules to be available for specified tasks under EC 1D and emergency tasks, as required.	NZDF OPRES
One Boeing 757-200 available for strategic transport tasks - from a total fleet of two Boeing 757 aircraft. To be sustainable for expected duration of strategic transport task in accordance with Schedule 4 to the NZDF Output Plan. (Provided from a fleet of two B-757-200 aircraft).	NZDF OPRES
An Aeromedical Evacuation (AE) element for strategic and tactical AE in support of land operations. The RNZAF is required to provide forward, tactical and strategic Aeromedical Evacuation (AE) services, including responsibility for the provision of AE-qualified personnel and associated AE equipment. For fixed wing tactical and strategic AE it is likely that, for high dependency cases, specialist support would be sought from other Services of the NZDF and/or non-defence resources.	NZDF OPRES
Planned Flying Hours for the year (1 July 2008-30 June 2009). The total C-130 annual flying hours allocation has been adjusted to reflect the reduction in the number of C-130 aircraft available and the total number of hours that can be generated and supported by the C-130 fleet during the period.	<ul style="list-style-type: none"> • The Hercules will fly a total of 2,200 hours (target range 2,090-2,310). • The Boeing 757s will fly a total of 1,400 hours (target range 1,330-1,470).
Undertake MAO&T (Multi-Agency Operations/Tasks), and contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on <i>Services in Support of the Government and the Community, including MAO&T</i> , earlier in Part 2.1].	<ul style="list-style-type: none"> • Satisfaction of the supported department / agency. • Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • Fixed Wing Transport Forces that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Fixed Wing Transport Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), RNZAF Mission Essential Task Lists (being updated) and the 40 Squadron Training Programme. 	NZDF OPRES, and RNZAF Publications, including: <ul style="list-style-type: none"> • 40 Squadron Standard Operating Procedures. • RNZAF Master Personnel Establishment. • NZAP(S) 700 (This document is currently under review). • RNZAF 9000 series (training manuals).
Combat Viability: <ul style="list-style-type: none"> • Air and ground crews that meet the collective training standards, experience levels and qualification requirements for military tasks. • Aircraft and equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective standardisation when working with friendly forces. 	NZDF OPRES, and RNZAF Publications (as listed above).

Performance Standards	Performance Measures
Deployability: <ul style="list-style-type: none"> Fixed Wing Transport Forces capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. Aircraft, munitions, expendable and technical stores available to generate OLOC, as specified in Air Publication NZAP(S) 700. 	NZDF OPRES, and RNZAF Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> Aircraft, expendable and technical stores available, as specified in Air Publication NZAP(S) 700, to maintain OLOC for designated operational viability period. Personnel available for sustainment/ rotation of the Fixed Wing Transport Forces on continuous operations as specified in Schedule 4 to the NZDF Output Plan 	NZDF OPRES, and RNZAF Publications (as listed above).

Note 1: Strategic and tactical air transport operations under Employments Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: The number of C-130 Hercules aircraft available during 2008/09 (through to 2010/11) will be affected by the Long-Term Development Programme project to upgrade the C-130 fleet and will reduce the full capacity of this output. At least two C-130 aircraft will be removed from service at any one time during the upgrade programme. While the number of aircraft required by the NZDF Output Plan for OLOC should be maintained for the period, there will be periods where aircraft availability will be reduced - given the need to continue to cycle aircraft through group and phase servicing requirements. The reduced fleet size will have an affect on the duration of any operational deployments and the ability to rotate any such deployments. The requirement to sustain core and DLOC training will also affect the nature and extent of tasking that can be undertaken by the C-130 fleet during the period.

Land Combat Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Land Combat Forces (command, control, intelligence and manoeuvre force elements) prepared to conduct land operations and to contribute support services to the community, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	324,682	324,682	354,832
Revenue from the Crown	323,357	323,357	353,573
Revenue from Others	1,325	1,325	1,259

Reasons for Change in Appropriation

The \$30 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09 and other comparative differences where savings have been transferred from 2007/08.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
<p>Army, drawing on Headquarters 2 Land Force Group (HQ 2 LFG), HQ 3 LFG, 1 RNZIR, 2/1 RNZIR, QAMR and 1 NZ Military Intelligence Company, and with supplementation from the Territorial Force, as required, will provide the initial and rotation land combat force elements to constitute:</p> <ul style="list-style-type: none"> • A Company Group (motorised, non-motorised or composite) for tasks under ECs 1 and 2. • Up to an Infantry Battalion Group (motorised, non-motorised or composite) for tasks under ECs 2 - 5. (During the period 2008-2011 a motorised battalion group would be for surge capacity only and would be dependant on there being no other operational deployments - see notes under "<i>Deployment Impact</i>" below). • Sub-unit elements as options for independent contribution to a combined force. • An appropriate headquarters (including intelligence and communications support) for command and control of a deployed force. 	<p>NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>
<p>Army will also provide an appropriate Brigade-level headquarters and the framework for a Brigade Group for simulation and Command Post Exercise-based combined-arms training. The framework for a Brigade Group requires supplementation from the Territorial Force.</p>	<p>NZDF OPRES</p>
<p>Contribute to a range of services in support of other government departments and the community when not committed to operations, using the capabilities developed for the operational role. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].</p>	<p>Satisfaction of the supported department / agency.</p>
<p>Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> • Designated force elements that meet specified readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Directed Level of Capability (DLOC) for units contributing to Company and Battalion Groups. • Basic Level of Capability (BLOC) for Brigade Group framework units (TF Battalion Groups). • Land Combat Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), Army Mission Essential Task Lists (METLs), Army Annual Plan, and Formation and Unit Training Directives. This will include participation in Battalion Group exercises and Formation level Command Post Exercises. 	<p>NZDF OPRES</p>
<p>Combat Viability:</p> <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels and qualification requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	<p>NZDF OPRES</p>
<p>Deployability:</p> <ul style="list-style-type: none"> • Force Elements capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Munitions, stores and equipment available for OLOC generation, as specified in unit and Army Equipment Holding Documents and Contingency Plans. 	<p>NZDF OPRES</p>

Performance Standards	Performance Measures
<p>Sustainability:</p> <ul style="list-style-type: none"> Munitions, expendable and technical stores available, as specified in Contingency Plans to maintain OLOC for designated operational viability period. Personnel available for reinforcement and rotation of deployed forces for continuous operations in accordance with Schedule 4 to the NZDF Output Plan. <p>Availability of munitions will depend on inventory holdings to meet OLOC generation requirements and holdings of Contingency Reserve Stocks (CRS).</p>	NZDF OPRES

Note 1: Land operations under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: This Output Expense is designed to provide the following capabilities:

- A deployable headquarters prepared to provide operational command, control and intelligence for deployed land forces; and to provide elements to the framework of a brigade group for simulation and Command Post Exercise-based combined-arms training.
- Manoeuvre elements prepared for the conduct of land operations. This includes the provision of these elements for a force of up to battalion group size. It also includes the requirement to provide infantry and reconnaissance elements to the framework of a brigade group for simulation and Command Post Exercise-based combined arms training.

Note 3: Deployment Impact

- As covered in several places in the NZDF 2007 Annual Report - and given the extent of current operational commitments - the deployment of a battalion to meet lower-end contingencies or a battalion group for responses under ECs 3 to 5 is unachievable until further notice.
- The Army Intelligence capability can be stretched when it is required to support a large number of concurrent deployments.

Land Combat Service Support Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Land Combat Service Support Forces (transport, medical, supply, repair and movements force elements) prepared to support land operations and to contribute support services to the community, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	135,134	135,134	154,984
Revenue from the Crown	134,717	134,717	154,559
Revenue from Others	417	417	425

Reasons for Change in Appropriation

The increase of \$20 million in this appropriation mainly reflects a combination of the Defence Funding Package increment for 2008/09 and resource reprioritisation.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
<p>Army, drawing on 2 Logistics Battalion, 3 Logistics Battalion, 2 Health Support Battalion and Logistic Executive, as part of, respectively, 2 LFG, 3 LFG and Army General Staff, with supplementation from the Territorial Force, as required, will provide the initial and rotation combat service support force elements to support, as applicable:</p> <ul style="list-style-type: none"> • A Company Group (motorised, non motorised or composite) for tasks under ECs 1 and 2. • Up to an Infantry Battalion Group (motorised, non-motorised or composite) for tasks under ECs 2 - 5 (inclusive). • Sub-unit elements as options for independent contribution to a combined force, only when those elements are available. 	<p>NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>
<p>Army will also provide combat service support elements to support the framework for a Brigade Group for simulation and Command Post Exercise-based combined-arms training; this will require supplementation by TF Battalion Groups.</p>	<p>NZDF OPRES</p>
<p>Contribute to a range of services in support of other Government departments and the community when not committed to operations, using the capabilities developed for the operational role. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].</p>	<p>Satisfaction of the supported department/agency.</p>
<p>Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> • Designated force elements that meet specified readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Directed Level of Capability (DLOC) for units contributing to Company and Battalion Groups. • Basic Level of Capability (BLOC) for Brigade Group framework units (TF Battalion Groups). • Land Combat Service Support Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), Army Mission Essential Task Lists (METLs), Army Annual Plan, and Formation and Unit Training Directives. This will include participation in Battalion Group exercises and Formation level Command Post Exercises. 	<p>NZDF OPRES</p>
<p>Combat Viability:</p> <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels and qualification requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	<p>NZDF OPRES</p>
<p>Deployability:</p> <ul style="list-style-type: none"> • Force Elements capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Munitions, stores and equipment available for OLOC generation, as specified in unit and Army Equipment Holding Documents and Contingency Plans. 	<p>NZDF OPRES</p>

Performance Standards	Performance Measures
<p>Sustainability:</p> <ul style="list-style-type: none"> Munitions, expendable and technical stores available, as specified in Contingency Plans to maintain OLOC for designated operational viability period. Personnel available for reinforcement and rotation of deployed forces for continuous operations in accordance with Schedule 4 to the NZDF Output Plan. <p>Availability of munitions will depend on inventory holdings to meet OLOC generation requirements and holdings of Contingency Reserve Stocks (CRS).</p>	NZDF OPRES

Note 1: Land operations under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: This Output Expense is designed to provide *Transport, Medical, Supply, Repair and Movements* capabilities prepared for the support of land operations and capable of supporting up to a battalion group sized force (motorised, non-motorised or composite). It also includes the requirement to provide transport elements to the framework of a brigade group for simulation and Command Post Exercise-based combined arms training, and the provision of some community support services.

Note 3: Deployment Impact - the Army Transport, Medical, Supply and Repair capabilities can be stretched when they are required to support a large number of concurrent deployments.

Land Combat Support Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Land Combat Support Forces (artillery, engineers, communications and military police force elements) prepared to conduct land operations and to contribute support services to the community, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	171,654	171,654	201,599
Revenue from the Crown	171,046	171,046	200,932
Revenue from Others	608	608	667

Reasons for Change in Appropriation

The \$30 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09 and savings transferred from 2007/08.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
<p>Army, drawing on 2 Land Force Group (LFG) and 3 LFG Regular Force artillery, engineer, communications, and military police units (16 Field Regiment, 2 Engineer Regiment, 2 Signal Squadron, 3 Signal Squadron - including an Electronic Warfare element, and Force Military Police Company), and with supplementation from the Territorial Force, as required, will provide the initial and rotation land combat support force elements to support, as applicable:</p> <ul style="list-style-type: none"> • A Company Group (motorised, non-motorised or composite) for tasks under ECs 1 and 2. • Up to an Infantry Battalion Group (motorised, non-motorised or composite) for tasks under ECs 2 - 5. • Sub-unit elements as options for independent contribution to a combined force, only when those elements are available. 	<p>NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>
<p>Army will also provide artillery, engineer, communications and military police force elements to support the framework for a Brigade Group for simulation and Command Post Exercise-based combined-arms training; this will require supplementation from the Territorial Force.</p>	<p>NZDF OPRES</p>
<p>Contribute to a range of services in support of other government departments and the community when not committed to operations, using the capabilities developed for the operational role. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].</p>	<p>Satisfaction of the supported department/agency.</p>
<p>Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> • Designated force elements that meet specified readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Directed Level of Capability (DLOC) for units contributing to Company and Battalion Groups. • Basic Level of Capability (BLOC) for Brigade Group framework units (TF Battalion Groups). • Land Combat Support Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), Army Mission Essential Task Lists (METLs), Army Annual Plan, and Formation and Unit Training Directives. This will include participation in Battalion Group exercises and Formation level Command Post Exercises. 	<p>NZDF OPRES</p>
<p>Combat Viability:</p> <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels and qualification requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	<p>NZDF OPRES</p>
<p>Deployability:</p> <ul style="list-style-type: none"> • Force Elements capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Munitions, stores and equipment available for OLOC generation, as specified in unit and Army Equipment Holding Documents and Contingency Plans. 	<p>NZDF OPRES</p>

Performance Standards	Performance Measures
<p>Sustainability:</p> <ul style="list-style-type: none"> Munitions, expendable and technical stores available, as specified in Contingency Plans to maintain OLOC for designated operational viability period. Personnel available for reinforcement and rotation of deployed forces for continuous operations in accordance with Schedule 4 to the NZDF Output Plan. <p>Availability of munitions will depend on inventory holdings to meet OLOC generation requirements and holdings of Contingency Reserve Stocks (CRS).</p>	NZDF OPRES

Note 1: Land operations under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: This Output Expense is designed to provide *Artillery, Engineer, Communications and Military Police* capabilities prepared for the support of land operations and capable of supporting up to a battalion group sized force (motorised, non-motorised or composite). It also includes the requirement to provide transport elements to the framework of a brigade group for simulation and Command Post Exercise-based combined arms training, and the provision of some community support services.

Note 3: Deployment Impact - the Army Communications and Military Police capabilities can be stretched when they are required to support a large number of concurrent deployments.

Maritime Patrol Forces (M22)

Scope of Appropriation

Provision of the capabilities of No 5 Squadron RNZAF (P-3K Orion aircraft) prepared to conduct maritime surveillance of New Zealand's EEZ, the Pacific region and the Southern Ocean, to conduct search and rescue missions, and to conduct maritime air operations, in accordance with NZDF Output Plan specifications. This output expense also includes some support services to the community.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	149,736	149,736	166,855
Revenue from the Crown	148,886	148,886	165,792
Revenue from Others	850	850	1,063

Reasons for Change in Appropriation

The increase of \$17 million in this appropriation mainly reflects the Defence Funding Package increment for 2008/09 and other operating initiatives.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
Two P-3K Orion aircraft available for military tasks - from a total fleet of six Orion aircraft. To be sustainable on operations in accordance with Schedule 4 to the NZDF Output Plan.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
A third P-3K Orion for maritime Search and Rescue and other emergency tasks, as required.	NZDF OPRES
Planned Orion Flying Hours for the year (1 July 2008-30 June 2009). The total P-3K Orion annual flying hours allocation has been adjusted to reflect the reduction in the number of aircraft available and the total number of hours that can be generated and supported by the Orion fleet during FY 2008/09.	2,380 hours (target range 2,261-2,499)
Undertake MAO&T (Multi-Agency Operations/Tasks), and contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • Maritime Patrol Forces that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Maritime Patrol Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), RNZAF Mission Essential Task Lists (being updated) and the 5 Squadron Training Programme. 	NZDF OPRES, and RNZAF Publications, including: <ul style="list-style-type: none"> • 5 Squadron Standard Operating Procedures. • RNZAF Master Personnel Establishment. • NZAP(S) 700 (This document is currently under review). • RNZAF 9000 series (training manuals).
Combat Viability: <ul style="list-style-type: none"> • Air and ground crews that meet the collective training standards, experience levels and qualification requirements for military tasks. • Aircraft and equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective standardisation when working with friendly forces. 	NZDF OPRES, and RNZAF Publications (as listed above).
Deployability: <ul style="list-style-type: none"> • Maritime Patrol Forces capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Aircraft, munitions, expendable and technical stores available to generate OLOC, as specified in Air Publication NZAP(S) 700. 	NZDF OPRES, and RNZAF Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> • Aircraft, expendable and technical stores available, as specified in Air Publication NZAP(S) 700, to maintain OLOC for designated operational viability period. • Personnel available for sustainment/ rotation of the Maritime Patrol Forces on continuous operations as specified in Schedule 4 to the NZDF Output Plan 	NZDF OPRES, and RNZAF Publications (as listed above).

Note 1: Maritime air operations under Employments Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: The number of P-3K Orion aircraft available during 2008/09 (through to 2010/11) will be affected by the Long-Term Development Plan (LTDP) rolling programme to upgrade the Orion fleet and will reduce the full capacity of this output expense. From September 2008 up to two aircraft will be removed from service at any one time during the upgrade programme. In addition, the remaining aircraft will continue to be cycled through group and phase servicing requirements. This will have an affect on the likely sustainable duration of any operational deployments and the ability to rotate any such deployments. The requirement to sustain core and Directed Level of Capability (DLOC) training will also effect the nature and extent of tasking that can be undertaken by the fleet during the period.

Military Hydrography, and Hydrographic Data Collection and Processing for LINZ (M22)

Scope of Appropriation

Provision of the capabilities of the hydrographic and oceanographic survey vessel, HMNZS RESOLUTION, specialist personnel and support infrastructure to conduct military hydrography in accordance with NZDF Output Plan specifications, and hydrographic data collection and processing that meets contractual commitments to Land Information New Zealand (LINZ). This output expense is supported by the Hydrographic Business Unit.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	15,270	15,270	15,996
Revenue from the Crown	8,608	8,608	9,303
Revenue from Others	6,662	6,662	6,693

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
HMNZS RESOLUTION available to conduct military hydrography, and hydrographic tasks for LINZ under contract. The Deployable Hydrographic Support Unit (DHSU) available to conduct military hydrography either independently or in support of other NZDF force elements. The Hydrographic Business Unit available to support the collection and processing programmes.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
Mission Availability and Planned Sea-Days for the year (1 July 2008-30 June 2009). During sea time under contract to LINZ the hydrographic vessel will maintain sea operational efficiency in accordance with the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability).	<ul style="list-style-type: none"> HMNZS RESOLUTION will be mission available for 236 days during which 100 to 115 will be at sea. Of this total, 2,975 survey miles on hydrographic tasks will be on contract to LINZ.

Performance Standards	Performance Measures
<p>Hydrography Contract with LINZ.</p> <p>Contract Standards. The emphasis is on meeting the contract requirements for hydrographic survey to the satisfaction of LINZ and the delivery of hydrographic data that meets international standards.</p>	<ul style="list-style-type: none"> • Formal feedback on 'quality' aspects from LINZ. • Completion of the contracted hydrographic programme for LINZ. • Products will be subjected to continual evaluation by the maritime community. • The provision of hydrographic data through completion of contracted and other programmes. • Delivery within budget.
<p>Contribute to a range of services in support of the government and the community when not committed to primary tasks, when available. [For details see the section on Services in Support of the Government and the Community, including MAO&T, following the last Departmental Output Expense within Part 2.1].</p>	<p>Satisfaction of the supported department/agency.</p>
<p>For Military Hydrography: Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> • Hydrographic Vessel that meets the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Hydrographic Vessel that carries out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS) and the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability) to achieve DLOC. 	<p>NZDF OPRES, and relevant RNZN Publications, including:</p> <ul style="list-style-type: none"> • NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability). • Warrant of Armament Stores. • RNZN Master Personnel Establishments.
<p>Combat Viability:</p> <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels, individual experience and competency requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	<p>NZDF OPRES, and RNZN Publications (as listed above).</p>
<p>Deployability:</p> <ul style="list-style-type: none"> • Hydrographic Vessel capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Stores and provisions embarked to allow tasking. • Materiel state satisfactory to permit tasking. • Personnel state satisfactory to permit tasking. 	<p>NZDF OPRES, and RNZN Publications (as listed above)</p>
<p>Sustainability:</p> <ul style="list-style-type: none"> • Munitions available, as specified in the Warrant of Armament Stores, to maintain OLOC for designated operational viability period. • Fuel, stores and provisions available to maintain OLOC for designated operational viability period. • Personnel available for sustainment/rotation. 	<p>NZDF OPRES, and RNZN Publications (as listed above)</p>

Note 1: Military hydrography under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: The ability for HMNZS RESOLUTION and the Deployable Hydrographic Support Unit (DHSU) to leverage opportunities to help achieve the OS20/20 Vision and also provide Output Expense *Mine*

Countermeasures (MCM) and MCM Diving Forces products (predominantly Q route surveys) will continue to be explored, commensurate with this primary output expense tasking.

Note 3: Deployment Impact - this Output Expense is being run at a level sufficient to meet commercial (LINZ) and operational requirements thus allowing the allocation of some personnel for Output Expense 16 operations.

Military Policy Development, Coordination and Advice (M22)

Scope of Appropriation

Provision of advice to the Minister of Defence on military contributions to New Zealand's foreign policy and military responses to contingencies, in accordance with NZDF Output Plan specifications. This output expense also includes military intelligence, responses to ministerial correspondence, select committee and parliamentary questions, Official Information Act inquiries, and Ombudsmen correspondence.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	10,204	10,204	10,352
Revenue from the Crown	10,169	10,169	10,317
Revenue from Others	35	35	35

Output Performance Measures and Standards

Performance Standards	Performance Measures
Range of keys submissions anticipated as follows:	
<ul style="list-style-type: none"> • Statutory Reports to Parliament • Submissions to Cabinet (in conjunction with the Ministry of Defence) • Reports and Briefing Papers to Minister (in conjunction with the Ministry of Defence) • Ministerial Correspondence ("Ministerials") • Parliamentary Questions (for <i>Written</i> and <i>Oral</i> answer) • Select Committee Reports • Select Committee Questions (Foreign Affairs Defence & Trade, and Finance and Expenditure Committees) • The supply of individual products, as above, of high quality: 	<p style="text-align: right;">2</p> <p style="text-align: right;">40-60</p> <p style="text-align: right;">350-450</p> <p style="text-align: right;">300-400</p> <p style="text-align: right;">350-450</p> <p style="text-align: right;">5-10</p> <p style="text-align: right;">300-400</p> <p>Defined by the seven characteristics of quality advice: Purpose, Logic, Accuracy, Options, Consultation, Practicality and Presentation</p> <p style="text-align: right;">95%</p> <p style="text-align: right;">90%</p>
<ul style="list-style-type: none"> • Percentage of the first drafts of all policy papers accepted by the Minister • Percentage of other responses accepted without substantive amendment 	

Performance Standards	Performance Measures
<ul style="list-style-type: none"> All reports and oral advice will be delivered within the agreed or statutory time frame. Percentage of: replies to Ministerials within 20 days of receipt of request, replies to Parliamentary Questions for Written Answer provided by due date, and replies to Parliamentary Questions for Oral Answer provided by midday on the day that the reply is due in the House 	95%
Degree of satisfaction expressed by the Minister, appropriate committee or agency (feedback from those for whom policy products have been produced)	High satisfaction

Mine Countermeasures (MCM) and MCM Diving Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Mine Countermeasures (MCM) Forces, HMNZS MANAWANUI with HMNZS KAHU as backup, prepared to conduct route surveys and conditioning of selected New Zealand ports, and the provision of the Operational Diving Team prepared to support MCM operations and to conduct independent diving tasks, in accordance with NZDF Output Plan specifications. This output expense also includes some support services to the community.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	27,131	27,131	30,950
Revenue from the Crown	26,947	26,947	30,744
Revenue from Others	184	184	206

Reasons for Change in Appropriation

The \$4 million increase in this appropriation mainly recognises the comparative differences as a result of savings from 2007/08.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
MCM Support Vessel (HMNZS MANAWANUI) and Operational Diving Team available for military tasks.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).

Performance Standards	Performance Measures
Mission Availability, Planned Sea-Days, and Diving Hours for the year (1 July 2008-30 June 2009).	<ul style="list-style-type: none"> • HMNZS MANAWANUI will be mission available for 236 days, of which 50 to 65 days will be at sea. • HMNZS KAHU will be mission available for 236 days, of which 40 to 55 days will be at sea. • The Diving Team will spend approximately 360 hours (target range 340-380 hours) on operational dive training and MCM readiness training in diving techniques for the disposal of mines and other explosive devices. (The diving hours refer to actual time in the water).
Contribute to a range of services, including MAO&T (Multi-Agency Operations & Tasks), in support of other government departments and the community when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> • MCM Support Vessel and Operational Diving Team that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • MCM Support Vessel and Operational diving Team carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS) and the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability) to achieve DLOC. 	<p>NZDF OPRES, and relevant RNZN Publications, including:</p> <ul style="list-style-type: none"> • NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability). • Warrant of Armament Stores. • RNZN Master Personnel Establishments.
<p>Combat Viability:</p> <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels, individual experience and competency requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	NZDF OPRES, and RNZN Publications (as listed above).
<p>Deployability:</p> <ul style="list-style-type: none"> • MCM Support Vessel and Operational Diving Team capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Stores and provisions embarked to allow tasking. • Materiel state satisfactory to permit tasking. • Personnel state satisfactory to permit tasking. 	NZDF OPRES, and RNZN Publications (as listed above)
<p>Sustainability:</p> <ul style="list-style-type: none"> • Munitions available, as specified in the Warrant of Armament Stores, to maintain OLOC for designated operational viability period. • Fuel, stores and provisions available to maintain OLOC for designated operational viability period. • Personnel available for sustainment/rotation. 	NZDF OPRES, and RNZN Publications (as listed above)

Note 1: MCM operations under Employment Contexts (ECs) 1 and 2, and independent diving tasks under ECs 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: When HMNZS MANAWANUI is deployed outside of New Zealand waters, HMNZS KAHU will undertake the tasks of MCM Support Vessel on the New Zealand station. When not deployed in this role, HMNZS KAHU will operate as part of the Naval Patrol Forces).

Miscellaneous Support Activities (M22)

Scope of Appropriation

Provision of the NZDF infrastructure and planned support to regional defence forces and the New Zealand community provided by identified elements of the NZDF. It includes support provided under the auspices of the Mutual Assistance Programme, support to the New Zealand Cadet Forces, training of Limited Service Volunteers and the provision of Service Museums, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	14,295	14,295	-
Revenue from the Crown	12,895	12,895	-
Revenue from Others	1,400	1,400	-

Reasons for Change in Appropriation

This appropriation changes to a MCOA with effect FY 2008/09.

Miscellaneous Support Activities MCOA (M22)

Scope of Appropriation

Support to Mutual Assistance Programme (MAP)

This output class is limited to the provision of training, technical advice and resources to the defence forces and law enforcement agencies of participant countries under the Mutual Assistance Programme (MAP), both in New Zealand and in MAP countries.

Support to New Zealand Cadet Forces

This output class is limited to the provision of leadership and skills training for all approved New Zealand Cadet Force (NZCF) units.

Support to Limited Service Volunteer Scheme

This output class is limited to the conduct of Limited Service Volunteer courses for unemployed or disadvantaged youth, selected by the Ministry of Social Development, to encourage these youth towards employment.

Support to Service Military Museums

This output class is limited to collection development, collection management and exhibits related to New Zealand's military history.

Explanation for Use of Multi-Class Output Expense Appropriation

Outputs of a miscellaneous and disparate nature that do not individually justify separate Departmental Output Expense recognition have been grouped to provide for improved transparency and accountability.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	13,774
Support to Mutual Assistance Programme	-	-	1,977
Support to New Zealand Cadet Forces	-	-	2,897
Support to Limited Service Volunteer Scheme	-	-	2,576
Support to Service Military Museums	-	-	6,324
Revenue from the Crown	-	-	12,424
Support to Mutual Assistance Programme	-	-	1,977
Support to New Zealand Cadet Forces	-	-	2,897
Support to Limited Service Volunteer Scheme	-	-	1,226
Support to Service Military Museums	-	-	6,324
Revenue from Others	-	-	1,350
Support to Mutual Assistance Programme	-	-	-
Support to New Zealand Cadet Forces	-	-	-
Support to Limited Service Volunteer Scheme	-	-	1,350
Support to Service Military Museums	-	-	-

Reasons for Change in Appropriation

In the past the output classes that now make up this MCOA were treated as outputs within the one output expense. There is no noticeable cost difference between 2007/08 and 2008/09.

Output Performance Measures and Standards

Performance Standards	Performance Measures
<p>Generally for this MCOA: Training and administrative support will be provided in accordance with NZDF training quality standards as modified with senior staff from the requesting organisation.</p>	<ul style="list-style-type: none"> • Performance, in general, will be measured by the degree of satisfaction expressed by the authorities requesting assistance - in accordance with their annual programmes. • Performance will also be assessed by the regular evaluation of significant issues, the capacity to react to requests for assistance and the provision of adequate support from the limited resources available.

Performance Standards	Performance Measures
<p>Mutual Assistance Programme:</p> <p>Training and technical assistance for the Mutual Assistance Programme (MAP) - anticipated to be in the range of 120 to 180 activities. Each activity could include formal training, on-the-job training, technical advice, attachments, study, mobile training teams, and exchanges - both in New Zealand and overseas.</p>	<ul style="list-style-type: none"> • Complete the MAP country programmes and activities - consistent with the MAP policy objectives and outcomes agreed with the participant defence forces or law enforcement agencies (where appropriate), and that are also consistent with NZDF practices. • It will include monitoring and analysis of MAP activities within each country programme through various processes, including post-activity reports and evaluation of the training outcomes against identified need.
<p>New Zealand Cadet Forces Support:</p> <p>Support for the New Zealand Cadet Forces (NZCF) in 2008/09 will involve the conduct of 34 courses for NZCF officers and 47 courses for cadets - amounting to about 2,416 officer training days and 11,085 cadet training days. Permanent staff includes 27 Tri-Service, Regular Force training and support staff, and 5 civilian administrative staff. [Note: Training days do not include community projects completed at the local level].</p> <p>The NZCF comprises 350 NZCF officers and 3,910 cadets within 102 Cadet Force Units across New Zealand. The personnel figures fluctuate from month to month, especially at the end of the school year.</p>	<ul style="list-style-type: none"> • Meet the training, course and exercise objectives of the NZ Cadet Forces. • Conduct courses that meet the requirements of the NZQA framework, where appropriate. • Meet NZDF standards for the administrative support provided to NZCF units. • The effectiveness of the support provided to the NZCF is assessed from the reports of Area Coordinators and Cadet Unit Commanders and feedback from the public, and overall evaluation by the Commandant NZCF.
<p>Limited Service Volunteer Training:</p> <p>Special Training for Limited Service Volunteers, to include 5 courses (each of six weeks duration) for up to a total of 720 unemployed people between the ages of 17 and 25 years for the training year (1 Jul 08 - 30 Jun 09)</p>	<ul style="list-style-type: none"> • Complete training courses to standards agreed in a Memorandum of Understanding (MOU) between the NZDF and the Ministry of Social Development (MSD). • This will include an analysis of the training objectives achieved, the reported post-course employment status of Scheme participants, and feedback from the public and the MSD.
<p>Service Military Museums:</p> <p>For Service Military Museums. The provision of staff, infrastructure and resources to Service Museums to ensure the collection development, collection management and exhibits of New Zealand's significant military history to the people of New Zealand, her Armed Forces and visitors to our nation, to sector best practice. The current Service Museums are at Devonport (Navy), Waiouru (Army), and Wigram (Air Force). Note: "Collection management" includes <i>preservation</i>.</p>	<p>Services provided in accordance with the relevant Trust Deeds and the Memorandums of Understanding between each of the Services and the individual museum trust boards. For Service Museums, an annual review against Service Museum benchmarks and periodic reviews against the New Zealand Museum Standards Scheme will be conducted. Performance assessment will be based on feedback from the individual museum trust boards and NZDF command, 'public satisfaction' surveys, annual and periodic reviews, and the number of military and civilian visitors per financial year</p>

Conditions on Use of Appropriation

Reference	Conditions
Defence Act 1990 Part VII	Details regarding the responsibilities of the Minister of Defence and the Chief of Defence, relating to the New Zealand Cadet Forces, and about those forces generally, are contained in Sections 74 - 80 of the Defence Act 1990.

Naval Combat Forces (M22)

Scope of Appropriation

Provision of the capabilities of the frigates, HMNZ Ships TE KAHA and TE MANA, prepared to conduct maritime operations and to contribute support services to the community, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	385,241	385,241	398,056
Revenue from the Crown	382,666	382,666	395,736
Revenue from Others	2,575	2,575	2,320

Reasons for Change in Appropriation

The \$13 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09, offset by a redistribution of the already appropriated total NZDF capital charge.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
Two frigates, each with embarked Seasprite helicopter, as required, available for military tasks. One frigate to be available for regional or collective security tasks and the second frigate to be available to deal with low-level security challenges in New Zealand or South Pacific waters. The Offshore Patrol Vessels (OPVs) will assume the latter role once accepted into service.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
Mission Availability and Planned Sea Days for the year (1 July 2008-30 June 2009).	<ul style="list-style-type: none"> • HMNZS TE KAHA will be mission available for 175 days, of which 90 to 110 days will be at sea. • HMNZS TE MANA will be mission available for 200 days, of which 130 to 140 days will be at sea.
Contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.

Performance Standards	Performance Measures
<p>Readiness:</p> <ul style="list-style-type: none"> Frigates that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. Frigates carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS) and the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability) to achieve DLOC. 	<p>NZDF OPRES, and relevant RNZN Publications, including:</p> <ul style="list-style-type: none"> NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability). Warrant of Armament Stores. RNZN Master Personnel Establishments.
<p>Combat Viability:</p> <ul style="list-style-type: none"> Personnel that meet the collective training standards, experience levels, individual experience and competency requirements for military tasks. Equipment performance, reliability and technology that meet required standards for commitment to military tasks. Effective interoperability when working with friendly forces. 	<p>NZDF OPRES, and RNZN Publications (as listed above).</p>
<p>Deployability:</p> <ul style="list-style-type: none"> Vessels capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. Stores and provisions embarked to allow tasking. Materiel state satisfactory to permit tasking. Personnel state satisfactory to permit tasking. 	<p>NZDF OPRES, and RNZN Publications (as listed above)</p>
<p>Sustainability:</p> <ul style="list-style-type: none"> Munitions available, as specified in the Warrant of Armament Stores, to maintain OLOC for designated operational viability period. Fuel, stores and provisions available to maintain OLOC for designated operational viability period. Personnel available for sustainment/rotation. 	<p>NZDF OPRES, and RNZN Publications (as listed above)</p>

Note 1: Maritime operations under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: Details on the Seasprite helicopters are recorded under Output Expense *Naval Helicopter Forces*.

Note 3: Deployment Impact - consecutive deployments of the Naval Combat Force elements for six months, on similar missions, are likely to have an adverse impact on training.

Naval Helicopter Forces (M22)

Scope of Appropriation

Provision of the capabilities of No 6 Squadron RNZAF (Seasprite SH-2G helicopters) prepared to conduct maritime operations in support of other Output Expenses, especially the Naval Combat Forces, Naval Support Forces and Naval Patrol Forces, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	79,073	79,073	82,275
Revenue from the Crown	78,617	78,617	81,863
Revenue from Others	456	456	412

Reasons for Change in Appropriation

The small increase of \$3 million in this appropriation mainly reflects the Defence Funding Package increment for 2008/09.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
Three SH-2G(NZ) Seasprite helicopters available for military tasks - from a total fleet of five Seasprite helicopters. To be sustainable on operations in accordance with Schedule 4 to the NZDF Output Plan.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
Planned Seasprite Flying Hours for the year (1 July 2008-30 June 2009).	1,406 hours, made up as follows: <ul style="list-style-type: none"> • For flying while embarked with force elements of the Navy, a total of 453 hours (target range 430-475 hours). • For shore-based readiness training - a total of 953 hours (target range 905-1,000 hours).
Contribute to MAO&T (Multi-Agency Operations/Tasks) and to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • Naval Helicopter Forces that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Naval Helicopter Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), 6 Squadron Training Programme, and the NZBR 202 (RNZN Air Orders) to achieve DLOC. 	NZDF OPRES, and RNZAF and RNZN Publications, including: <ul style="list-style-type: none"> • RNZAF Master Personnel Establishment. • RNZN Personnel States. • NZAP(S) 700 (This document is currently under review). • NZBR 99, RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability. • NZBR 202, RNZN Air Orders. • 6 Squadron Standard Operating Procedures.
Combat Viability: <ul style="list-style-type: none"> • Air and ground crews that meet the collective training standards, experience levels and qualification requirements for military tasks. • Aircraft and equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective standardisation when working with friendly forces. 	NZDF OPRES, and RNZAF and RNZN Publications (as listed above).

Deployability: <ul style="list-style-type: none"> Naval Helicopter Forces capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. Aircraft, munitions, expendable and technical stores available to generate OLOC, as specified in Air Publication NZAP(S) 700. 	NZDF OPRES, and RNZAF and RNZN Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> Aircraft, expendable and technical stores available, as specified in Air Publication NZAP(S) 700, to maintain OLOC for designated operational viability period. Personnel available for sustainment/rotation of the Naval Helicopter Forces on continuous operations as specified in Schedule 4 to the NZDF Output Plan 	NZDF OPRES, and RNZAF and RNZN Publications (as listed above).

Note 1: Predominantly maritime operations under Employments Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: The RNZAF is responsible for the training of RNZN Seasprite helicopter aircrew and the provision and training of Ship's Flights maintenance personnel, for operational employment by the RNZN.

Naval Patrol Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Offshore and Inshore Patrol Vessels (OPVs, IPVVs) prepared for the conduct of maritime operations in support of Multi-Agency Operations and Tasks (MAO&T), and for the security and protection of New Zealand's economic border and EEZ, in accordance with NZDF Output Plan specifications. Once in service the OPVs will also be prepared to conduct sovereignty and resource protection patrol operations in the Southern Ocean, Ross Dependency, South Pacific region and further afield when directed.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	61,912	61,912	104,652
Revenue from the Crown	61,541	61,541	104,266
Revenue from Others	371	371	386

Reasons for Change in Appropriation

The comparatively large \$43 million increase in this appropriation mainly reflects the comparative differences associated with the introduction into service of the new inshore and offshore patrol vessels for the Navy.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
The OPVs, HMNZ Ships OTAGO and WELLINGTON, with embarked Seasprite or other helicopter/s as required, available for military tasks and MAO&T (Multi-Agency Operations and Tasks).	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
The IPVs, HMNZ Ships ROTOITI, HAWEA, PUKAKI and TAUPO, available for military tasks and MAO&T.	NZDF OPRES
OPV Mission Availability and Planned Sea-Days for the year (1 July 2008-30 June 2009).	<ul style="list-style-type: none"> • HMNZS OTAGO will be mission available for 236 days, of which 110 to 125 days will be at sea. • HMNZS WELLINGTON will be mission available for 236 days, of which 70 to 90 days will be at sea.
IPV Mission Availability and Planned Sea-Days for the year (1 July 2008-30 June 2009).	<ul style="list-style-type: none"> • HMNZS ROTOITI will be mission available for 235 days, of which 115 to 140 days will be at sea. • HMNZS HAWEA will be mission available for 235 days, of which 105 to 125 days will be at sea. • HMNZS PUKAKI will be available for 20 to 40 days at sea. • HMNZS TAUPO will be available for 20 to 40 days at sea.
Undertake MAO&T (Multi-Agency Operations/Tasks), and contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, following the last Departmental Output Expense within Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under EC 3 a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • OPVs and IPVs that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • OPVs and IPVs carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS) and the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability) to achieve DLOC. 	NZDF OPRES, and relevant RNZN Publications, including: <ul style="list-style-type: none"> • NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability). • Warrant of Armament Stores. • RNZN Master Personnel Establishments.
Combat Viability: <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels, individual experience and competency requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	NZDF OPRES, and RNZN Publications (as listed above).

Performance Standards	Performance Measures
Deployability: <ul style="list-style-type: none"> OPVs and IPVs capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. Stores and provisions embarked to allow tasking. Materiel state satisfactory to permit tasking. Personnel state satisfactory to permit tasking. 	NZDF OPRES, and RNZN Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> Munitions available, as specified in the Warrant of Armament Stores, to maintain OLOC for designated operational viability period. Fuel, stores and provisions available to maintain OLOC for designated operational viability period. Personnel available for sustainment/rotation. 	NZDF OPRES, and RNZN Publications (as listed above).

Note 1: Maritime operations under Employment Contexts (ECs) 1, 2, and 3. (See details on ECs earlier in Part 2.1). Note: Subject to availability and the Government's requirements, tasking of these vessels, the IPVs and particularly the OPVs, may take place in other ECs.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Project Protector (Operating Costs for new Navy Vessels)	2005/06	39,172	44,181	44,166	44,180	44,188

Naval Support Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Fleet Replenishment Ship, HMNZS ENDEAVOUR, and the Multi-Role Vessel, HMNZS CANTERBURY, prepared to conduct maritime logistic support and amphibious sealift operations for deployed military forces, in accordance with NZDF Output Plan specifications. This output expense also includes contributions to a range of services provided to Government and the community.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	92,677	92,677	108,664
Revenue from the Crown	92,151	92,151	108,069
Revenue from Others	526	526	595

Reasons for Change in Appropriation

The \$16 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09 and operating initiatives associated with expense transfers from 2007/08.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards (Quantity and Quality)	Performance Measures
HMNZS ENDEAVOUR and HMNZS CANTERBURY, each with embarked Seasprite helicopter/s, as required, available for military tasks.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
Mission Availability and Planned Sea-Days for the year (1 July 2008-30 June 2009).	<ul style="list-style-type: none"> • HMNZS ENDEAVOUR will be available for 4 to 15 days at sea. • HMNZS CANTERBURY will be mission available for 236 days, of which 120 to 140 days will be at sea.
Undertake MAO&T (Multi-Agency Operations/Tasks), and contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • Replenishment Ship and Amphibious Sealift Ship that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Ships carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS) and the NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability) to achieve DLOC. 	NZDF OPRES, and relevant RNZN Publications, including: <ul style="list-style-type: none"> • NZBR 99 (RNZN Instructions for the Generation, Maintenance and Evaluation of Operational Capability). • Warrant of Armament Stores. • RNZN Master Personnel Establishments.
Combat Viability: <ul style="list-style-type: none"> • Personnel that meet the collective training standards, experience levels, individual experience and competency requirements for military tasks. • Equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective interoperability when working with friendly forces. 	NZDF OPRES, and RNZN Publications (as listed above).
Deployability: <ul style="list-style-type: none"> • Vessels capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Stores and provisions embarked to allow tasking. • Materiel state satisfactory to permit tasking. • Personnel state satisfactory to permit tasking. 	NZDF OPRES, and RNZN Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> • Munitions available, as specified in the Warrant of Armament Stores, to maintain OLOC for designated operational viability period. • Fuel, stores and provisions available to maintain OLOC for designated operational viability period. • Personnel available for sustainment/rotation. 	NZDF OPRES, and RNZN Publications (as listed above).

Note 1: Maritime logistic support and amphibious sealift operations under Employment Contexts (ECs) 1, 2, 3, 4, and 5. (See details on ECs earlier in Part 2.1).

Note 2: HMNZS CANTERBURY is also capable of embarking four NH-90 helicopters (to be acquired by the NZDF in the future).

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Project Protector (Operating Costs for new Navy Vessels)	2005/06	21,355	24,086	24,086	24,086	24,086

Operationally Deployed Forces Annual (M22)

Scope of Appropriation

The provision of deployed force elements on military tasks, including the commitments agreed by Government under which the NZDF contributes to peace support and other operations conducted in support of the United Nations and other international agencies. It includes the provision of individuals, observers, advisers, instructors, headquarters staff, and complete force elements and contingents.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	54,110
Revenue from the Crown	-	-	53,659
Revenue from Others	-	-	451

Reasons for Change in Appropriation

This appropriation has been under a three-year multi-year appropriation (1 July 2005 - 30 June 2008) and now reverts to being funded on an annual basis. The 2007/08 costs are expected to total some \$71 million. The costs appropriated for 2008/09, on an annual basis, are expected to total \$54 million. The difference in costs (between 2007/08 and 2008/09) reflects a variety of the 2007/08 costs that are not expected to require recognition in 2008/09.

Output Performance Measures and Standards

Performance Standards	Performance Measures
<p>Maintain the operational commitments specified by Government in its approval for each task/mission/operation.</p> <p>Personnel, as applicable, to be at the Operational Level of Capability (OLOC) - for applicable Employment Context/s - prior to deployment.</p> <p>Timely replacement of each element or individual, when requested and as approved by the Government.</p>	<p>(See <i>Current Operational Commitments</i> table below).</p> <p>Generally:</p> <ul style="list-style-type: none"> • The level of capability achieved by individuals, detachments or units prior to departure will be assessed by the designated Operational Commander. • Regular formal reporting against the stated <i>mission</i> of the deployed force from the New Zealand Senior National Officer on the operation. • Occasional reports received from respective United Nations/Coalition/Force Commanders. • Degree of satisfaction of performance of duties expressed by the authorities requesting the assistance. • Performance of equipment provided by NZDF, when applicable. • Evaluation by visiting New Zealand politicians and senior NZDF personnel. • Budget considerations. (Each deployment is to be completed within a Cabinet-approved budget).

Note 1: The Government's desired goals for the delivery of this output expense over the ten-year period (2005/06 - 2014/15), in accordance with the results of the Defence Capability and Resourcing Review (DCARR) and the Defence Funding Package (DFP), are detailed within Schedule 4 (Classified) to the NZDF Output Plan.

Note 2: Deployed force elements across all Employment Contexts (ECs) as determined at any one time. (See details on ECs earlier in Part 2.1).

Current Operational Commitments

Government Approved Deployments (as at 1 April 2008)	Numbers (Personnel)
OP KORU (Timor Leste) All Task Groups	182
UNTSO (Middle East) [OP SCORIA]	8
MFO (Sinai) [OP FARAD]	26
UNMIK (Kosovo) [OP KOSTER]	1
UNAMI (Iraq) [OP HAVEN, Task Group IRON]	1
OP ARIKI (Afghanistan) [Task Group CRIBB]	111
OP ARIKI (Afghanistan) [Task Group KEA]	5
OP ARIKI (Tampa, Florida, USA) [Task Group SPEAK]	2
OP ARIKI (Afghanistan) [Task Group AFFIRM]	1
OP ARIKI (Afghanistan) [Task Group RUA]	2
OP ARIKI (Afghanistan) [Task Group MANAAKI]	2
OP ARIKI (Arabian Sea area) [Task Group TROY]	6
UNMIS [OP SUDDEN] (Sudan)	3
OP RATA II (Solomon Islands)	52
UNCMAC (Republic of Korea) [OP MONITOR]	3
USCENTCOM Staff Officer	1
Total NZDF personnel deployed:	406

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Additional Funding for Operationally Deployed Forces	2006/07	41,776	37,050	37,568	38,296	38,966

Operationally Deployed Forces (M22)*Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriation	\$000
Operationally Deployed Forces (M22)	Original Appropriation	66,999
The provision of force elements for routine operational deployments in support of the United Nations and other relevant multinational agencies as approved by the Government, in accordance with NZDF Output Plan specifications. Commences: 1 July 2005 Expires: 30 June 2008	Adjustments to 2006/07	71,179
	Adjustments for 2007/08	(7,311)
	Adjusted Appropriation	130,867
	Actual to 2006/07 Year End	59,575
	Estimated Actual for 2007/08	71,292
	Estimated Actual for 2008/09	-
	Estimated Appropriation Remaining	-

Revenue

	Budget \$000
Revenue from the Crown to end of 2008/09	129,918
Revenue from Others to end of 2008/09	947
Total Revenue	130,865

Reasons for Change in Appropriation

As reflected in the table above, this appropriation has been under a three-year multi-year appropriation (1 July 2005 - 30 June 2008). From 2008/09 it reverts to being funded on an annual basis.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2007/08 Budgeted \$000	2008/09 Budget \$000	2009/10 Estimated \$000	2010/11 Estimated \$000	2011/12 Estimated \$000
Additional Funding for Operationally Deployed Forces	2006/07	41,776	37,050	37,568	38,296	38,966

Rotary Wing Transport Forces (M22)

Scope of Appropriation

Provision of the capabilities of No 3 Squadron RNZAF (Iroquois helicopters) prepared to conduct tactical air transport, including aeromedical evacuation, and counter-terrorist operations, and to contribute support services to the community, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	118,859	118,859	124,891
Revenue from the Crown	118,236	118,236	124,100
Revenue from Others	623	623	791

Reasons for Change in Appropriation

The \$6 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
Six UH-1H Iroquois helicopters available for military tasks - from a fleet total of 14 Iroquois helicopters. To be sustainable on operations in accordance with Schedule 4 of the NZDF Output Plan.	NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).
Two additional helicopters on standby for rapid response tasks in New Zealand (under EC 1), such as Counter-Terrorist Operations and for Search and Rescue Missions.	NZDF OPRES
Planned Iroquois Flying Hours for the year (1 July 2008-30 June 2009).	4,560 hours (target range 4,332-4,788 hours).
A Forward and Tactical Aeromedical Evacuation (AE) element for the support of land operations. (Note: The RNZAF is required to provide forward and tactical Rotary Wing AE services, including responsibility for the provision of AE-qualified personnel and associated AE equipment).	NZDF OPRES
Undertake MAO&T (Multi-Agency Operations/Tasks), and contribute to a range of services in support of other government departments, the community, and foreign and defence policy objectives when not committed to operations, using the capabilities developed for the operational role. While specific, pre-planned operations/tasks (under MAO&T) normally require specific quality standards, the quality of other assistance to the government and the community may rely on the satisfaction expressed by the supported party/agency. [For details see the section on Services in Support of the Government and the Community, including MAO&T, earlier in Part 2.1].	Satisfaction of the supported department/agency. Many of the MAO&T agreements/MOUs, which will include performance requirements (conditions and standards), are still under development.

Performance Standards	Performance Measures
Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).	While the <i>aim</i> , under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply: <ul style="list-style-type: none"> • For tasks under ECs 1 and 2 - a P1 OPRES rating. • For tasks under ECs 3 to 5 - a P2 OPRES rating.
Readiness: <ul style="list-style-type: none"> • Rotary Wing Transport Forces that meet the Directed Level of Capability (DLOC) readiness criteria in accordance with Schedule 4 to the NZDF Output Plan. • Rotary Wing Transport Forces carry out a range of training activities in accordance with the NZDF Exercise Activity Schedule (EAS), RNZAF Mission Essential Task Lists (being updated) and the 3 Squadron Training Programme. 	NZDF OPRES, and RNZAF Publications, including: <ul style="list-style-type: none"> • 3 Squadron Standard Operating Procedures. • RNZAF Master Personnel Establishment. • NZAP(S) 700 (This document is currently under review). • RNZAF 9000 series (training manuals).
Combat Viability: <ul style="list-style-type: none"> • Air and ground crews that meet the collective training standards, experience levels and qualification requirements for military tasks. • Aircraft and equipment performance, reliability and technology that meet required standards for commitment to military tasks. • Effective standardisation when working with friendly forces. 	NZDF OPRES, and RNZAF Publications (as listed above).
Deployability: <ul style="list-style-type: none"> • Rotary Wing Transport Forces capable of generating the Operational Level of Capability (OLOC) within designated Response Times (timeliness), as specified in Schedule 4 to the NZDF Output Plan. • Aircraft, munitions, expendable and technical stores available to generate OLOC, as specified in Air Publication NZAP(S) 700. 	NZDF OPRES, and RNZAF Publications (as listed above).
Sustainability: <ul style="list-style-type: none"> • Aircraft, expendable and technical stores available, as specified in Air Publication NZAP(S) 700, to maintain OLOC for designated operational viability period. • Personnel available for sustainment/rotation of the Rotary Wing Transport Forces on continuous operations as specified in Schedule 4 to the NZDF Output Plan 	NZDF OPRES, and RNZAF Publications (as listed above).

Note 1: Tactical air transport operations under Employment Contexts (ECs) 1, 2, 3, 4 and 5, and Counter-Terrorist operations under ECs 1 and 2. (See details on ECs earlier in Part 2.1).

Note 2: The Seasprite naval helicopters are provided under a different Output Expense - *Naval Helicopter Forces*.

Special Operations Forces (M22)

Scope of Appropriation

Provision of the capabilities of the Special Operations Forces prepared to conduct special forces operations in support of land operations, counter-terrorist operations, and the provision of Chemical, Biological, Radiological, Explosive, Improvised Explosive Device Disposal (CBRE IEDD) that threaten public safety or national interests, in accordance with NZDF Output Plan specifications.

Expenses and Revenue

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	51,063	51,063	62,968
Revenue from the Crown	50,881	50,881	62,773
Revenue from Others	182	182	195

Reasons for Change in Appropriation

The \$12 million increase in this appropriation mainly reflects the Defence Funding Package increment for 2008/09 and the expense transfer from 2007/08.

Output Performance Measures and Standards

For additional important information on this Output Expense, see the notes at the end of this table.

Performance Standards	Performance Measures
<p>Army, drawing on 1st NZ Special Air Service (SAS) Group and Army/NZDF-wide resources, will provide:</p> <ul style="list-style-type: none"> The initial and rotation elements of up to a SAS Squadron to conduct special operations in support of land combat operations under Employment Contexts 1 - 5, and to provide elements, as appropriate, in support of a Company and/or Battalion Group (motorised, non-motorised or composite). (See details on ECs earlier in Part 2.1). A Counter-Terrorist Group to assist the NZ Police in Counter-Terrorist operations, including Maritime CT, under Employment Contexts 1D and 2D. A CBRE IEDD/EOD organisation of squadron strength which has the ability to provide three IEDD Response Teams (one each based at Auckland, Wellington and Christchurch) and a specialist CBR Response Team to undertake emergency national IEDD/CBRE tasks. 	<p>NZDF OPRES (Operational Preparedness and Reporting System). (See the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>
<p>Army will also maintain a SAS Squadron to support the framework of a brigade group for training in New Zealand.</p>	<p>NZDF OPRES</p>
<p>Standards and performance rating required under the NZDF Operational Preparedness and Reporting System (OPRES) against the four Elements of Preparedness (see the OPRES Key Performance Indicators and OPRES Performance Rating Scale earlier in Part 2.1).</p>	<p>While the <i>aim</i>, under the OPRES rating system, is an OPRES Rating of P1, for 2008/09 the following will apply:</p> <ul style="list-style-type: none"> For tasks under ECs 1 and 2 - a P1 OPRES rating. For tasks under ECs 3 to 5 - a P2 OPRES rating.
<p>Readiness:</p> <ul style="list-style-type: none"> Special Forces, Counter-Terrorist (CT) Forces and CBRE IEDD Teams that meet the degrees of notice and Directed Level of Capability (DLOC) and Operational Level of Capability (OLOC) readiness criteria, as appropriate, in accordance with Schedule 4 to the NZDF Output Plan. Special Forces, CT Forces and CBRE IEDD Teams carry out a range of readiness training activities in accordance with the NZDF Exercise Activity Schedule (EAS), Army Mission Essential Task Lists (METLs), Army Annual Plan, and Formation and Unit Training Directives to maintain DLOC and OLOC, as appropriate, in accordance with Schedule 4 to the NZDF Output Plan. 	<p>NZDF OPRES</p>
<p>Combat Viability:</p> <ul style="list-style-type: none"> Personnel that meet the experience levels and qualification requirements for special operations, CT tasks and CBRE IEDD tasks. Equipment performance, reliability and technology that meet required OLOC standards for commitment to special operations, CT tasks and CBRE IEDD tasks. Effective Standardisation when working with friendly forces. 	<p>NZDF OPRES</p>

Performance Standards	Performance Measures
Deployability: <ul style="list-style-type: none"> Special Forces, CT Forces and CBRE IEDD Teams capable of deploying within specified degrees of notice/response times, as applicable, in accordance with Schedule 4 to the NZDF Output Plan. Munitions and specialist stores available to OLOC standards. 	NZDF OPRES
Sustainability: <ul style="list-style-type: none"> Munitions and specialist stores available for period of special operations, CT tasks and CBRE IEDD tasks. Personnel available for reinforcement and rotation of deployed forces for continuous operations in accordance with Schedule 4 to the NZDF Output Plan. 	NZDF OPRES

Note 1: This Output Expense is designed to provide capabilities prepared for:

- Special Operations (NZ Special Air Service (NZ SAS) “green role”) in support of land operations. It also includes the requirement to provide Special Forces elements to the framework of a brigade group for simulation and Command Post Exercise-based combined arms training. If a major element of the Special Forces is committed in support of land combat operations, the Army is not able to provide, concurrently, a like commitment to another operation/mission.
- A Counter-Terrorist Group to assist the NZ Police in Counter-Terrorist operations, including Maritime CT, under Employment Contexts 1D and 2D.
- National Response for Chemical, Biological, Radiological, Explosive, Improvised Explosive Device Disposal (CBRE IEDD). It involves the provision of a dedicated military organisation of specialised teams at the operational level of capability prepared for Chemical, Biological, Radiological, Explosive, Improvised Explosive Device Disposal (CBRE IEDD) that threaten public safety or national interests. This organisation will not normally be available for other community support services.

Note 2: CBRE IEDD Organisation - Cabinet has approved the formation of an independent and separately funded organisation for the conduct of CBRE IEDD and Explosive Ordnance Disposal (EOD). [CAB Min (05) 27/4 dated 25 Jul 05]. The establishment of this dedicated CBRE IEDD/EOD unit will be set up over the next three to five years. The set up of the unit will not detract from the ability to respond to IEDD and CBRE incidents in the three Central Business Districts (CBDs) of Auckland, Wellington and Christchurch. Although CBRE IEDD is a NZDF responsibility directed by Government, Army has been designated the “lead Service”. Navy and Air Force will provide trained manpower and specialist support for CBRE IEDD/EOD, as required.

Note 3: Deployment Impact

- If a high proportion of the *Special Forces* capability was deployed on actual operations, any other concurrent contribution from this output would be very limited. This does not, however, affect the ability of the NZDF to continue to fully deliver force elements for the *Counter-Terrorist* capability.
- The number of personnel qualified and available to deliver CBRE is currently limited. The deployment of any personnel from this output to Output Expense *Operationally Deployed Forces* would have a major impact on training and the ability of the NZDF to deliver CBRE.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Continuation of the upgrade of military capabilities, the restoration of existing infrastructure and the building of new infrastructure; all in accordance with the Defence Long-Term Development Plan (LTDP)	Capital Expenditure

New Zealand Defence Force - Capital Expenditure PLA (M22)

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

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	404,682	366,455	533,956
Intangibles	7,470	7,470	8,000
Other	-	-	-
Total Appropriation	412,152	373,925	541,956

Reasons for Change in Appropriation

This appropriation was formerly in the NZDF Statement of Intent as forecast capital expenditure. The increase of \$129.806 million in 2008/09 reflects the year specific nature of capital expenditure and where:

- Specialised Military Equipment (SME) related payments to the Ministry of Defence (MoD) are expected to exceed the 2007/08 payments made by some \$90 million, and
- increased expenditure of some \$40 million is expected to be undertaken on NZDF managed capital projects in 2008/09.

Expected Results

	2007/08		2008/09
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Improved Military Capability and Infrastructure	\$412 million	\$412 million	\$542 million