

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

Overview of the Vote

The Minister of Defence is responsible for appropriations in Vote Defence Force, totalling just over \$2,852 million, for the 2010/11 financial year.

This includes just over \$2,279 million for departmental output expenses and a capital expenditure appropriation of just under \$573 million for the purchase of assets. The \$2,279 million amount covers the following:

- a total of just over \$2,159 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 under \$673 million
 - Army: just over \$843 million
 - Air Force: just over \$643 million
- a total of just over \$78 million on Operationally Deployed Forces
- a total of just under \$26 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, Government-initiated Youth Development Schemes (Limited Service Volunteer courses, Service Academies and Military-style Activity Camps), and Service Military Museums
- a total of just over \$16 million on military policy development, coordination and advice to the Government.

Of the total appropriation, the New Zealand Defence Force expects to recognise about \$33 million in third-party revenue (Revenue Department and Revenue Other) in 2010/11. The remainder is funded from Revenue Crown.

Details of these appropriations are set out in Parts 2-6 for Vote Defence Force in the *Information Supporting the Estimates of Appropriations*.

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Fixed Wing Transport Forces (M22) 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.	228,014	228,014	244,441
Land Combat Forces (M22) 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.	385,711	385,711	405,762
Land Combat Service Support Forces (M22) 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.	154,182	154,182	154,720
Land Combat Support Forces (M22) 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.	207,441	207,441	211,524
Maritime Patrol Forces (M22) 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.	173,995	173,995	178,708
Military Hydrography, and Hydrographic Data Collection and Processing for LINZ (M22) 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.	16,628	16,628	16,360
Military Policy Development, Coordination and Advice (M22) 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.	14,340	14,340	16,334
Mine Countermeasures (MCM) and MCM Diving Forces (M22) Provision of the capabilities of the Mine Countermeasures (MCM) Forces, HMNZS MANAWANUI, 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.	26,491	26,491	24,854

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses - cont'd			
Miscellaneous Support Activities MCOA (M22)	21,712	21,712	25,517
<i>Support to Limited Service Volunteer Scheme</i> 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.	1,691	1,691	-
<i>Support to Mutual Assistance Programme (MAP)</i> 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.	2,046	2,046	2,388
<i>Support to New Zealand Cadet Forces</i> This output class is limited to the provision of leadership and skills training for all approved New Zealand Cadet Force (NZCF) units.	3,586	3,586	3,399
<i>Support to Service Military Museums</i> This output class is limited to collection development, collection management and exhibits related to New Zealand's military history.	7,297	7,297	6,260
<i>Support to Youth Development</i> This output class is limited to New Zealand Defence Force support to government initiated youth development schemes in New Zealand, being the conduct of Limited Service Volunteer courses and contributions to Youth Life Skills programmes (Service Academies and Military-style Activity Camps).	7,092	7,092	13,470
Naval Combat Forces (M22) 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.	406,876	406,876	398,139
Naval Helicopter Forces (M22) 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.	83,921	83,921	87,939
Naval Patrol Forces (M22) Provision of the capabilities of the Offshore and Inshore Patrol Vessels (OPVs, IPVs) 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.	102,196	102,196	127,452
Naval Support Forces (M22) 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.	108,386	108,386	106,026
Operationally Deployed Forces Annual (M22) 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.	95,626	95,626	78,446

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Rotary Wing Transport Forces (M22) 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.	129,734	129,734	131,988
Special Operations Forces (M22) 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.	67,114	67,114	71,251
Total Departmental Output Expenses	2,222,367	2,222,367	2,279,461
Departmental Other Expenses			
Asset Write-Offs (M22) To provide for the expensing of capitalised items that have no ongoing utility.	3,300	3,300	-
Revaluation Losses (M22) This appropriation is limited to a write-down of Project PROTECTOR vessels.	90,000	90,000	-
Total Departmental Other Expenses	93,300	93,300	-
Departmental Capital Expenditure			
New Zealand Defence Force - Capital Expenditure PLA (M22) 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.	520,000	389,830	572,914
Total Departmental Capital Expenditure	520,000	389,830	572,914
Total Annual and Permanent Appropriations	2,835,667	2,705,497	2,852,375

Details of Projected Movements in Departmental Net Assets

New Zealand Defence Force

Details of Net Asset Schedule	2009/10 Estimated Actual \$000	2010/11 Projected \$000	Explanation of Projected Movements in 2010/11
Opening Balance	5,720,929	5,721,842	
Capital Injections	94,384	-	The change recognises that no capital injection is forecast to be required during 2010/11.
Capital Withdrawals	(171)	-	The change recognises that a contribution to a Government wide initiative was limited to 2009/10.
Surplus to be Retained (Deficit Incurred)	(93,300)	-	The change recognises that a technical writedown of asset values is limited to 2009/10.
Other Movements	-	93,300	A technical item to maintain the Departmental Net Asset value, if a forecast 2009/10 deficit does not occur.
Closing Balance	5,721,842	5,815,142	