

# *Information Supporting the Supplementary Estimates*

## *Vote Veterans' Affairs - Defence Force*

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

ADMINISTERING DEPARTMENT: New Zealand Defence Force

MINISTER RESPONSIBLE FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

## Part 1 - Summary of the Vote

### Part 1.3 - Trends in the Vote

#### Summary of Financial Activity

	2011/12				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	10,153	537	200	737	10,890
Benefits and Other Unrequited Expenses	160,040	N/A	(8,711)	(8,711)	151,329
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,650	-	(200)	(200)	1,450
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
<b>Total Appropriations</b>	<b>171,843</b>	<b>537</b>	<b>(8,711)</b>	<b>(8,174)</b>	<b>163,669</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### Policy and Administration (M75)

##### *Scope of Appropriation*

The purchase of the provision of policy advice on, and administration of, a wide range of issues relating to veterans' entitlements, care, and recognition. This includes the provision of administrative services to relevant boards and committees, the coordination of commemorations, the administration of contracts for service for, and undertaking quality audits of, maintenance and development work carried out in Services Cemeteries.

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

This appropriation will increase by \$700,000 to \$2.853 million due to increased financial support for World War Two veterans attending military commemorations.

#### Services and Payments to Veterans (M75)

##### *Scope of Appropriation*

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

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

This appropriation will decrease by \$163,000 to \$5.814 million due to an Operating to Capital Transfer (\$200,000) and a transfer of \$37,000 from Vote Defence Force.

### Part 2.2 - Non-Departmental Output Expenses

#### Support for Veterans and Their Families (M75)

##### *Scope of Appropriation*

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

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

This appropriation will increase by \$200,000 to \$1.477 million due to a transfer from Output Expense Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans.

## Part 3 - Details for Benefits and Other Unrequited Expenses

### Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

#### Interest Concessions Land and Buildings (M75)

##### *Scope of Appropriation*

This appropriation is limited to provision for grandparented loans of the differential between the 3% or 5% Rehabilitation Loan rate and the current market rate as set out in the Rehabilitation Act 1941.

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

This appropriation will increase by \$2,000 to \$9,000 to allow for forecast variability in demand.

#### Medical Treatment (M75)

##### *Scope of Appropriation*

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

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

This appropriation will decrease by \$1.053 million to \$21.670 million as a result of the downward trend in the number of veterans that exceeds the rate of cost increases for their medical care.

#### Special Annuities (M75)

##### *Scope of Appropriation*

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

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

This appropriation will increase by \$3,000 to \$29,000 to allow for forecast variability in demand.

#### War Disablement Pensions (M75)

##### *Scope of Appropriation*

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

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

This appropriation will decrease by \$7.663 million to \$129.621 million in line with the declining number of veterans attracting the War Disablement Pension.

## Part 5 - Details and Expected Results for Other Expenses

### Part 5.2 - Non-Departmental Other Expenses

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

##### *Scope of Appropriation*

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

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

This appropriation will decrease by \$200,000 to \$1.200 million due to a transfer to Output Expense Support for Veterans and Their Families.