

Vote Defence Force

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

APPROPRIATION ADMINISTRATOR: New Zealand Defence Force

RESPONSIBLE MINISTER FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	770,296	(26,343)	743,953
Army Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	808,833	(16,473)	792,360
Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	458,707	(14,764)	443,943
Total Departmental Output Expenses	2,037,836	(57,580)	1,980,256
Departmental Other Expenses			
Recovery from the November 2016 Hurunui/Kaikōura Earthquakes (M22) This appropriation is limited to writing off, or making good damage to, departmental assets and re-establishing departmental operations following the 14 November 2016 Hurunui/Kaikōura earthquakes and aftershocks.	-	16,524	16,524
Total Departmental Other Expenses	-	16,524	16,524
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.	746,954	(226,954)	520,000
Total Departmental Capital Expenditure	746,954	(226,954)	520,000
Non-Departmental Output Expenses			
Development and Maintenance of Services Cemeteries (M75) This appropriation is limited to the development and maintenance of Services Cemeteries.	746	-	746
Total Non-Departmental Output Expenses	746	-	746
Benefits or Related Expenses			
Assessments, Treatment & Rehabilitation (M75) This appropriation is limited to the payment of the costs of assessments, treatment (including associated aids and appliances), and social and vocational rehabilitation provided for under the Veterans' Support Act 2014 and associated regulations.	15,125	(2,075)	13,050
Special Annuities (M75) This appropriation is limited to paying annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society.	38	51	89
Veterans' Independence Programme (M75) This appropriation is limited to provision of services and support to assist eligible veterans and their families.	11,763	(2,572)	9,191

	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Veterans Support Entitlement (M75) This appropriation is limited to the payment of entitlements (in respect of the impairment or death of veterans determined to be related to qualifying operational service occurring at any time or qualifying routine service occurring prior to 1 April 1974) to veterans and their spouses, partners, children and dependants under the Veterans' Support Act 2014 and associated regulations and to the provision for grandparented loans of the differential between 3% or 5% Rehabilitation Loan rate and the current market rate as set out in the Rehabilitation Act 1941 for interest concessions on land and buildings.	97,856	1,584	99,440
Total Benefits or Related Expenses	124,782	(3,012)	121,770
Non-Departmental Other Expenses			
Debt Write-Down for Benefits and Other Unrequited Expenses (M75) This appropriation is limited to the write-down of Crown debtors administered by the New Zealand Defence Force due to the requirement to comply with Crown accounting policies and generally accepted accounting principles.	250	-	250
Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans (M75) 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.	1,100	(175)	925
Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75) This appropriation is limited to providing for the fair value write down on the Veteran Trust loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.	203	-	203
Grant Payments to Non-Government Organisations (M75) This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	-	175	175
Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75) This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.	400	-	400
Total Non-Departmental Other Expenses	1,953	-	1,953
Multi-Category Expenses and Capital Expenditure			
Advice to the Government MCA (M22) The overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.	9,605	(26)	9,579
<i>Departmental Output Expenses</i>			
<i>Policy Advice</i> This category is limited to the provision of advice (including second opinion advice and policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to defence and the NZDF.	3,664	(7)	3,657
<i>Situational Awareness</i> This category is limited to the provision of effective military intelligence services to the Government in support of decision-making for the defence and security of New Zealand.	4,020	(16)	4,004
<i>Supporting Ministers</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.	1,921	(3)	1,918

Titles and Scopes of Appropriations by Appropriation Type	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Multi-Category Expenses and Capital Expenditure - cont'd			
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) The overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.	40,659	15,141	55,800
<i>Departmental Output Expenses</i>			
<i>Military Operations in Support of a Rules-Based International Order</i> This category is limited to the costs of generating operational military capabilities and the employment of the New Zealand Armed Forces for the conduct of operations, as directed by the Government.	40,156	15,141	55,297
<i>Military Operations that Contribute to Regional Security</i> This category is limited to the costs of providing specialised support to all-of-government efforts to maintain security and stability in New Zealand's immediate neighbourhood including responses to events that impact on the safety and wellbeing of regional populations, as directed by the Government.	503	-	503
Policy Advice And Other Services For Veterans MCA (M75) The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities, and the provision of services and payments to veterans.	9,181	-	9,181
<i>Departmental Output Expenses</i>			
<i>Administration Services</i> This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities, the coordination of commemorations, the provision of administration services to relevant boards and committees and the administration of contracts for service for maintenance and development work carried out in Service Cemeteries.	2,812	-	2,812
<i>Policy Advice</i> This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to Veterans' Affairs.	222	-	222
<i>Services and Payments to Veterans</i> This category is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions, and allowances and Surviving Spouse Pensions), the assessment and review of entitlement for burial in Service Cemeteries, the installation of ex-service memorials for eligible veterans, and the provision of case management for veterans and their families.	6,147	-	6,147
Protection of New Zealand and New Zealanders MCA (M22) The overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.	444,963	(7,709)	437,254
<i>Departmental Output Expenses</i>			
<i>Assistance to the Civil Power and Provision of a Public Service in Emergency Situations</i> This category is limited to the costs of specialist military capabilities and Defence Force resources provided to the civil power in an emergency and for urgent work of national importance.	71,400	(1,330)	70,070
<i>Defence International Engagement</i> This category is limited to the provision of services and utility of the Defence Force to support foreign policy objectives that strengthen security and avert conflict.	100,529	(562)	99,967
<i>Defence Support to the Community</i> This category is limited to the costs of providing Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.	49,383	1,227	50,610

Titles and Scopes of Appropriations by Appropriation Type	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<i>Military Assistance to Civil Authorities in Non-Emergency Situations</i> This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.	34,453	(701)	33,752
<i>Resource and Border Protection Operations</i> This category is limited to the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.	189,198	(6,343)	182,855
Total Multi-Category Expenses and Capital Expenditure	504,408	7,406	511,814
Total Annual and Permanent Appropriations	3,416,679	(263,616)	3,153,063

Capital Injection Authorisations

	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
New Zealand Defence Force - Capital Injection (M22)	6,000	75,072	81,072

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2016/17				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	2,038,582	(57,580)	-	(57,580)	1,981,002
Benefits or Related Expenses	124,782	N/A	(3,012)	(3,012)	121,770
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,953	16,524	-	16,524	18,477
Capital Expenditure	746,954	(226,954)	-	(226,954)	520,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	504,408	7,406	-	7,406	511,814
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	3,416,679	(260,604)	(3,012)	(263,616)	3,153,063
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

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

Scope of Appropriation

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

Expenses and Revenue

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	770,296	(26,343)	743,953
Revenue from the Crown	768,322	(26,343)	741,979
Revenue from Others	1,974	-	1,974

Reasons for Change in Appropriation

The appropriation decreased by \$26.343 million to \$743.953 million for 2016/17. The decrease relates to:

- reduced funding of \$20.013 million due to a reduction in Capital Charge
- transfer of \$3.282 million to a deployment to the Middle East to support Operations Contributing to New Zealand's Security, Stability and Interests (MCA), and
- carry forwards of \$3.048 million from 2016/17 to future periods reflecting the New Zealand Defence Force multi-year property maintenance programme forecast.

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

Scope of Appropriation

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

Expenses and Revenue

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	808,833	(16,473)	792,360
Revenue from the Crown	807,950	(16,473)	791,477
Revenue from Others	883	-	883

Reasons for Change in Appropriation

The appropriation decreased by \$16.473 million to \$792.360 million for 2016/17. The decrease relates to:

- reduced funding of \$11.476 million due to a reduction in Capital Charge, and
- carry forwards of \$5.374 million to future periods reflecting the New Zealand Defence Force multi-year property maintenance programme forecast.

This was partially offset by:

- increased funding of \$290,000 for the delivery of Counter Explosive Hazards capability, and
- increased funding of \$87,000 for the delivery of Defence Force Logistics.

Navy Capabilities Prepared for Joint Operations and Other Tasks (M22)*Scope of Appropriation*

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

Expenses and Revenue

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	458,707	(14,764)	443,943
Revenue from the Crown	457,384	(14,764)	442,620
Revenue from Others	1,323	-	1,323

Reasons for Change in Appropriation

The appropriation decreased by \$14.764 million to \$443.943 million in 2016/17. This decrease relates to:

- reduced funding of \$11.864 million due to a reduction in Capital Charge, and
- carry forwards of \$6.100 million to future periods reflecting the New Zealand Defence Force multi-year property maintenance programme forecast.

This was partially offset by:

- increased funding of \$3.200 million transferred to 2016/17 from 2018/19 to reflect the frigate activity in 2016/17 as a result of changes to the scope and timing of the frigate upgrade.

2.2 - Departmental Other Expenses

Recovery from the November 2016 Hurunui/Kaikōura Earthquakes (M22)

Scope of Appropriation

This appropriation is limited to writing off, or making good damage to, departmental assets and re-establishing departmental operations following the 14 November 2016 Hurunui/Kaikōura earthquakes and aftershocks.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	16,524	16,524

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the writing off, or making good damage, of departmental assets affected by the 14 November 2016 Hurunui/Kaikōura earthquakes and aftershocks.

How Performance will be Assessed and End of Year Reporting Requirements

	2016/17		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
Expenditure reflects the cost of writing off, making good damage, to departmental assets following the November 2016 Hurunui/Kaikōura Earthquakes	Achieved	Achieved	Achieved

End of Year Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2018 to be presented to the House.

Reasons for Change in Appropriation

The increase of \$16.524 million in this appropriation is due to the cost of writing off departmental assets following the Kaikōura/Hurunui earthquakes.

2.3 - Departmental Capital Expenditure and Capital Injections

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

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	745,954	(234,580)	511,374
Intangibles	1,000	7,626	8,626
Other	-	-	-
Total Appropriation	746,954	(226,954)	520,000

Reasons for Change in Appropriation

This appropriation decreased by \$226.954 million to \$520 million for 2016/17. This decrease reflects changed forecast assumptions regarding the timing of capital projects with the adoption of the 2016 Defence White Paper. The major projects contributing to the changes are the ANZAC Frigate Systems Upgrade and the Network Enabled Army Tranche 1 which have had delays in their respective implementation dates.

Capital Injections and Movements in Departmental Net Assets

New Zealand Defence Force

Details of Net Asset Schedule	2016/17 Main Estimates Projections \$000	2016/17 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2016/17
Opening Balance	5,467,613	6,049,353	Supplementary Estimates opening balance reflects the audited results as at 30 June 2016.
Capital Injections	6,000	81,072	Capital Injections for projects to enhance and maintain the capability of the New Zealand Defence Force in line with the Defence Mid-point Rebalancing Review and the Defence White Paper 2016. The Capital Injections increased by \$75.072 million due to cabinet approvals to implement the Maritime Sustainment Capability (\$69.774 million) and the Defence Force Logistics (\$5.298 million) projects. The balance of \$6 million is due to an operating to capital swap for the Frigate System Upgrade project.
Capital Withdrawals	-	(4,581)	The capital withdrawal relates to a transfer of \$4.581 million to GCSB to invest in capability to provide secure networks.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	5,473,613	6,125,844	

Part 3 - Details of Non-Departmental Appropriations

3.2 - Non-Departmental Benefits or Related Expenses

Assessments, Treatment & Rehabilitation (M75)

Scope of Appropriation

This appropriation is limited to the payment of the costs of assessments, treatment (including associated aids and appliances), and social and vocational rehabilitation provided for under the Veterans' Support Act 2014 and associated regulations.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	15,125	(2,075)	13,050

Reasons for Change in Appropriation

This appropriation decreased by \$2.075 million to \$13.050 million in 2016/17. This related to forecast changes in the level of demand for services.

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.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	38	51	89

Reasons for Change in Appropriation

This appropriation increased by \$51,000 to \$89,000 in 2016/17. This was due to:

- increased funding of \$50,000 for an Annuity Payable to Recipients of the Victoria Cross, and
- increased funding of \$1,000 due to Consumer Price Index adjustments.

Veterans' Independence Programme (M75)

Scope of Appropriation

This appropriation is limited to provision of services and support to assist eligible veterans and their families.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,763	(2,572)	9,191

Reasons for Change in Appropriation

This appropriation decreased by \$2.572 million to \$9.191 million in 2016/17 due to forecasted decreases in demand for services.

Veterans Support Entitlement (M75)

Scope of Appropriation

This appropriation is limited to the payment of entitlements (in respect of the impairment or death of veterans determined to be related to qualifying operational service occurring at any time or qualifying routine service occurring prior to 1 April 1974) to veterans and their spouses, partners, children and dependants under the Veterans' Support Act 2014 and associated regulations and to the provision for grandparented loans of the differential between 3% or 5% Rehabilitation Loan rate and the current market rate as set out in the Rehabilitation Act 1941 for interest concessions on land and buildings.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	97,856	1,584	99,440

Reasons for Change in Appropriation

This appropriation increased by \$1.584 million to \$99.440 million in 2016/17 due to forecasted changes to the demand for services.

3.4 - 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.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,100	(175)	925

Reasons for Change in Appropriation

This appropriation decreased by \$175,000 to \$925,000 in 2016/17 due to a fiscally neutral transfer to the Grant Payments to Non-Government Organisations appropriation.

Grant Payments to Non-Government Organisations (M75)

Scope of Appropriation

This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	175	175

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the payment of Grants to Non-Government Organisations in their support of veterans and their families.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as performance information is unlikely to be informative.

Reasons for Change in Appropriation

This appropriation of \$175,000 is new in 2016/17.

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

Multi-Category Expenses and Capital Expenditure

Advice to the Government (M22)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Policy Advice

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

Situational Awareness

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

Supporting Ministers

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

Expenses, Revenue and Capital Expenditure

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,605	(26)	9,579
Departmental Output Expenses			
Policy Advice	3,664	(7)	3,657
Situational Awareness	4,020	(16)	4,004
Supporting Ministers	1,921	(3)	1,918
Funding for Departmental Output Expenses			
Revenue from the Crown	9,605	(26)	9,579
Policy Advice	3,664	(7)	3,657
Situational Awareness	4,020	(16)	4,004
Supporting Ministers	1,921	(3)	1,918

Reasons for Change in Appropriation

This appropriation decreased by \$26,000 to \$9.579 million in 2016/17. This decrease is due to a reduction in Capital Charge.

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

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Military Operations in Support of a Rules-Based International Order

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

Military Operations that Contribute to Regional Security

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

Expenses, Revenue and Capital Expenditure

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	40,659	15,141	55,800
Departmental Output Expenses			
Military Operations in Support of a Rules-Based International Order	40,156	15,141	55,297
Military Operations that Contribute to Regional Security	503	-	503
Funding for Departmental Output Expenses			
Revenue from the Crown	40,132	15,356	55,488
Military Operations in Support of a Rules-Based International Order	39,674	15,356	55,030
Military Operations that Contribute to Regional Security	458	-	458
Revenue from Others	527	(215)	312
Military Operations in Support of a Rules-Based International Order	482	(215)	267
Military Operations that Contribute to Regional Security	45	-	45

Assessment of Performance	2016/17		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Departmental Output Expenses			
Military Operations in Support of a Rules-Based International Order			
<i>Performance will be assessed on the maintenance of the Government's military commitments to the additional missions commenced in 2016/17, as shown below:</i>			
Contribute military forces to Operation Takapu (Air Component - Gulf of Aden) with effect from February 2017	New Measure	Meet	Met
Contribute military forces to Operation Takahe (Air deployment to Middle East) with effect from May 2017	New Measure	Meet	Met

Reasons for Change in Appropriation

This appropriation increased by \$15.141 million to \$55.800 million in 2016/17. The increases are due to:

- increased funding of \$5.180 million for a deployment to Iraq
- a carry forward of \$3.891 million from 2015/16 for Building Partner Capability
- increased funding of \$3.607 million for a deployment to the Middle East
- increased funding of \$1.746 million for the extension of Multinational operations, and
- increased funding of \$720,000 for United Nations missions.

This was partially offset by decreases of \$3,000 due to the reduction in Capital Charge.

Protection of New Zealand and New Zealanders (M22)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

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

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

Defence International Engagement

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

Defence Support to the Community

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

Military Assistance to Civil Authorities in Non-Emergency Situations

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

Resource and Border Protection Operations

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

Expenses, Revenue and Capital Expenditure

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	444,963	(7,709)	437,254
Departmental Output Expenses			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	71,400	(1,330)	70,070
Defence International Engagement	100,529	(562)	99,967
Defence Support to the Community	49,383	1,227	50,610
Military Assistance to Civil Authorities in Non-Emergency Situations	34,453	(701)	33,752
Resource and Border Protection Operations	189,198	(6,343)	182,855
Funding for Departmental Output Expenses			
Revenue from the Crown	435,377	(9,875)	425,502
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	71,338	(1,330)	70,008
Defence International Engagement	97,886	(562)	97,324
Defence Support to the Community	43,049	(939)	42,110
Military Assistance to Civil Authorities in Non-Emergency Situations	34,453	(701)	33,752
Resource and Border Protection Operations	188,651	(6,343)	182,308
Revenue from Others	9,586	2,166	11,752
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	62	-	62
Defence International Engagement	2,643	-	2,643
Defence Support to the Community	6,334	2,166	8,500
Resource and Border Protection Operations	547	-	547

Reasons for Change in Appropriation

This appropriation decreased by \$7.709 million to \$437.254 million in 2016/17. This decrease is due to:

- reduced funding of \$5.850 million due to a reduction in Capital Charge
- carry forward of \$4.378 million to future years reflecting the New Zealand Defence Force multi-year property maintenance programme forecast, and
- a transfer of \$50,000 to the Special Annuities appropriation.

This was partially offset by:

- increased funding of \$2.166 million for the 2017 Air Tattoo, and
- increased funding of \$403,000 for a deployment to Fiji.