

# *Vote Defence Force*

---

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

APPROPRIATION ADMINISTRATOR: New Zealand Defence Force

RESPONSIBLE MINISTER FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22)</b> This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	839,757	17,767	857,524
<b>Army Capabilities Prepared for Joint Operations and Other Tasks (M22)</b> This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	871,346	(9,308)	862,038
<b>Navy Capabilities Prepared for Joint Operations and Other Tasks (M22)</b> This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	452,683	1,387	454,070
<b>Total Departmental Output Expenses</b>	2,163,786	9,846	2,173,632
<b>Departmental Other Expenses</b>			
<b>Loss on Sale of Physical Assets (M22)</b> This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.	-	7,910	7,910
<b>Total Departmental Other Expenses</b>	-	7,910	7,910
<b>Departmental Capital Expenditure</b>			
<b>New Zealand Defence Force - Capital Expenditure PLA (M22)</b> This appropriation is limited to the purchase or development of assets by and for the use of the New Zealand Defence Force, as authorised by section 24(1) of the Public Finance Act 1989.	641,490	122,044	763,534
<b>Total Departmental Capital Expenditure</b>	641,490	122,044	763,534
<b>Non-Departmental Output Expenses</b>			
<b>Development and Maintenance of Services Cemeteries (M75)</b> This appropriation is limited to the development and maintenance of Services Cemeteries.	746	-	746
<b>Total Non-Departmental Output Expenses</b>	746	-	746

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Benefits or Related Expenses</b>			
<b>Assessments, Treatment &amp; Rehabilitation (M75)</b> 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.	12,114	3,853	15,967
<b>Special Annuities (M75)</b> This appropriation is limited to paying annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society.	91	1	92
<b>Veterans' Independence Programme (M75)</b> This appropriation is limited to provision of services and support to assist eligible veterans and their families.	11,045	5,181	16,226
<b>Veterans Support Entitlement (M75)</b> 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.	86,233	7,069	93,302
<b>Total Benefits or Related Expenses</b>	109,483	16,104	125,587
<b>Non-Departmental Other Expenses</b>			
<b>Debt Write-Down for Benefits and Other Unrequited Expenses (M75)</b> 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
<b>Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans (M75)</b> 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	-	1,100
<b>Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75)</b> This appropriation is limited to providing for the fair value write down on the Veteran Trust loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.	203	-	203
<b>Grant Payments to Non-Government Organisations (M75)</b> This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	275	-	275
<b>Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75)</b> This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.	200	-	200
<b>Total Non-Departmental Other Expenses</b>	2,028	-	2,028

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Advice to the Government MCA (M22)</b> The overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.	13,645	-	13,645
<b>Departmental Output Expenses</b>			
<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.	3,832	-	3,832
<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.	7,805	-	7,805
<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.	2,008	-	2,008
<b>Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22)</b> The overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.	39,078	20,689	59,767
<b>Departmental Output Expenses</b>			
<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.	38,569	20,689	59,258
<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.	509	-	509
<b>Policy Advice And Other Services For Veterans MCA (M75)</b> 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.	15,802	-	15,802
<b>Departmental Output Expenses</b>			
<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.	2,927	-	2,927
<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.	230	-	230

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<i>Repatriation of New Zealanders Interred Overseas as a Result of a Military Burial: Te Auraki (The Return)</i> This category is limited to the repatriation of service personnel and dependants buried abroad as a result of a military burial since 1 January 1955.	6,250	-	6,250
<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.	6,395	-	6,395
<b>Protection of New Zealand and New Zealanders MCA (M22)</b> The overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.	454,032	<b>23,913</b>	477,945
<b>Departmental Output Expenses</b>			
<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.	75,726	3,023	78,749
<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.	98,732	802	99,534
<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.	49,234	2,015	51,249
<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.	35,234	1,005	36,239
<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.	195,106	17,068	212,174
<b>Total Multi-Category Expenses and Capital Expenditure</b>	522,557	44,602	567,159
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	3,440,090	200,506	3,640,596

## Capital Injection Authorisations

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
New Zealand Defence Force - Capital Injection (M22)	154,733	209,138	363,871

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2018/19				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	2,164,532	9,846	-	9,846	2,174,378
Benefits or Related Expenses	109,483	N/A	16,104	16,104	125,587
Borrowing Expenses	-	-	-	-	-
Other Expenses	2,028	7,910	-	7,910	9,938
Capital Expenditure	641,490	122,044	-	122,044	763,534
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	522,557	44,602	-	44,602	567,159
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	<b>3,440,090</b>	<b>184,402</b>	<b>16,104</b>	<b>200,506</b>	<b>3,640,596</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 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	839,757	17,767	857,524
Revenue from the Crown	837,783	13,647	851,430
Revenue from Others	1,974	-	1,974

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

This appropriation increased by \$17.767 million to \$857.524 million in 2018/19. This increase relates to:

- increased funding of \$16.465 million for the increase in capital charge as a result of the acquisition of the Boeing P-8A Poseidon Aircraft for future air surveillance
- an increase in appropriation of \$4.120 million for the impairment of inventory due to obsolescence, health and safety, and changes in capabilities, and
- increased funding of \$568,000 for capital charge as a result of the revaluation of assets.

This is partially offset by:

- decreased funding of \$3.308 million transferred to other appropriations as NZDF has adjusted how its funding is allocated to reflect the activities completed by NZDF to deliver outputs, and
- decreased funding of \$78,000 for capital charge as a result of the disposal of NZDF property as part of a Treaty settlement.

## 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	871,346	(9,308)	862,038
Revenue from the Crown	870,463	(14,280)	856,183
Revenue from Others	883	-	883

### *Reasons for Change in Appropriation*

This appropriation decreased by \$9.308 million to \$862.038 million in 2018/19. This decrease relates to:

- decreased funding of \$10 million transferred to other appropriations as NZDF has adjusted how its funding is allocated to reflect the activities completed by NZDF to deliver outputs, and
- an expense transfer of \$4.600 million from 2018/19 to future periods to enable the successful implementation of the Defence Force Logistics programme.

This is partially offset by:

- an increase in appropriation of \$4.972 million for the impairment of inventory due to obsolescence, health and safety, and changes in capabilities, and
- increased funding of \$320,000 for capital charge as a result of the revaluation of assets.



## 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	452,683	1,387	454,070
Revenue from the Crown	451,360	(2,690)	448,670
Revenue from Others	1,323	-	1,323

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.387 million to \$454.070 million in 2018/19. This increase relates to:

- an increase in appropriation of \$4.077 million for the impairment of inventory due to obsolescence, health and safety, and changes in capabilities, and
- increased funding of \$310,000 for capital charge as a result of the revaluation of assets.

This is partially offset by decreased funding of \$3 million transferred to other appropriations as NZDF has adjusted how its funding is allocated to reflect the activities completed by NZDF to deliver outputs.

## 2.2 - Departmental Other Expenses

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

#### *Scope of Appropriation*

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

#### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	7,910	7,910

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

This appropriation is intended to achieve the provision for the loss on sale of certain New Zealand Defence Force commercial properties.

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Expenditure reflects the loss on sale of certain New Zealand Defence Force commercial properties	-	Met	Meet

#### *End of Year Performance 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 2019 to be presented in the House.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$7.910 million to \$7.910 million in 2018/19. This increase relates to:

- an increase in appropriation of \$3.050 million was for the loss on the disposal of NZDF property as part of Treaty settlements, and
- an expense transfer of \$4.860 million from 2017/18 to 2018/19 for the loss on the disposal of NZDF property as part of Treaty settlements.

## 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	630,955	124,299	755,254
Intangibles	10,535	(2,255)	8,280
Other	-	-	-
<b>Total Appropriation</b>	<b>641,490</b>	<b>122,044</b>	<b>763,534</b>

#### *Reasons for Change in Appropriation*

This appropriation increased by \$122.044 million to \$763.534 million in 2018/19. This increase reflects changes in the forecast assumptions regarding the timing of capital projects and the approval to purchase the Boeing P-8A Poseidon Aircraft, the Dive and Hydrographic vessel, and the Air training simulator.

## Capital Injections and Movements in Departmental Net Assets

### New Zealand Defence Force

Details of Net Asset Schedule	2018/19 Main Estimates Projections \$000	2018/19 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2018/19
Opening Balance	6,699,909	6,731,209	Supplementary Estimates opening balance reflects the audited results as at 30 June 2018.
Capital Injections	154,733	363,871	Capital injections for projects to enhance and maintain the capability of the New Zealand Defence Force in line with the Defence White Paper 2016. The capital injections increased by \$209.138 million due to Cabinet approval to provide additional funding for purchase of the Boeing PA-8 Aircraft for future air surveillance, the Dive and Hydrographic vessel and the fit out of the new Defence House. The capital injections for 2018/19 are made up of purchase of the Boeing P-8A Poseidon Aircraft (\$99.391 million), the Dive and Hydrographic vessel (\$89.185 million), Frigate Systems Upgrade (\$63.358 million), Defence Force Logistics (\$47.656 million), Defence Estate Regeneration (\$42.719 million), fit out of the new Defence House (\$20 million), expansion of the LSV programme (\$1 million) and \$562,000 transferred from operating funding to capital funding for the purchase of the Boeing P-8A Poseidon Aircraft.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>6,854,642</b>	<b>7,095,080</b>	

## 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.

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

This appropriation increased by \$3.853 million to \$15.967 million in 2018/19 due to an increase in the cost of services provided and an increased 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.

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

This appropriation increased by \$1,000 to \$92,000 in 2018/19 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.

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

This appropriation increased by \$5.181 million to \$16.226 million in 2018/19 due to an increase in Veteran's demand for the service and renegotiation of VIP service contracts.

#### 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.

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

This appropriation increased by \$7.069 million to \$93.302 million in 2018/19 due to an increase in the demand for grants to Veterans and an increase in the Consumer Price Index.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>39,078</b>	<b>20,689</b>	<b>59,767</b>
<b>Departmental Output Expenses</b>			
Military Operations in Support of a Rules-Based International Order	38,569	20,689	59,258
Military Operations that Contribute to Regional Security	509	-	509
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>38,769</b>	<b>20,103</b>	<b>58,872</b>
Military Operations in Support of a Rules-Based International Order	38,305	20,103	58,408
Military Operations that Contribute to Regional Security	464	-	464
<b>Revenue from Others</b>	<b>309</b>	<b>586</b>	<b>895</b>
Military Operations in Support of a Rules-Based International Order	264	586	850
Military Operations that Contribute to Regional Security	45	-	45

*Reasons for Change in Appropriation*

The appropriation increased by \$20.689 million to \$59.767 million in 2018/19. This increase relates to:

- increased funding of \$21.658 million for United Nations operations, Multi-National operations, and deployments in the Middle East and South Sudan
- increased funding of \$586,000 for New Zealand Defence Force's contribution to security in Singapore, and
- an expense transfer of \$137,000 from 2017/18 to 2018/19 in relation to operations in South Sudan.

This is partially offset by decreased funding of \$1.692 million transferred to 'Air Force Capabilities Prepared for Joint Operations and Other Tasks' to reflect a reduction in flying hours required for operations.

## 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*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>454,032</b>	<b>23,913</b>	<b>477,945</b>
<b>Departmental Output Expenses</b>			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	75,726	3,023	78,749
Defence International Engagement	98,732	802	99,534
Defence Support to the Community	49,234	2,015	51,249
Military Assistance to Civil Authorities in Non-Emergency Situations	35,234	1,005	36,239
Resource and Border Protection Operations	195,106	17,068	212,174



	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>441,809</b>	<b>22,284</b>	<b>464,093</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	75,664	3,023	78,687
Defence International Engagement	96,089	4	96,093
Defence Support to the Community	40,263	2,015	42,278
Military Assistance to Civil Authorities in Non-Emergency Situations	35,234	1,005	36,239
Resource and Border Protection Operations	194,559	16,237	210,796
<b>Revenue from Others</b>	<b>12,223</b>	<b>798</b>	<b>13,021</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	62	-	62
Defence International Engagement	2,643	798	3,441
Defence Support to the Community	8,971	-	8,971
Resource and Border Protection Operations	547	-	547

### *Reasons for Change in Appropriation*

This appropriation increased by \$23.913 million to \$477.945 million in 2018/19. This increase is related to:

- increased funding of \$18 million transferred from other appropriations as NZDF has adjusted how its funding is allocated to reflect the activities completed by NZDF to deliver outputs
- increased funding of \$4.117 million for the increase in capital charge as a result of the acquisition of the Boeing P-8A Poseidon Aircraft for future air surveillance
- an increase in appropriation of \$831,000 for the impairment of inventory due to obsolescence, health and safety and changes in capabilities
- increased funding of \$798,000 as a result of cost recoveries for services provided to foreign militaries, and
- increased funding of \$167,000 for capital charge as a result of the revaluation of assets.

