

# *Vote Defence Force*

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

DEPARTMENT ADMINISTERING THE VOTE: New Zealand Defence Force (A27)

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	2024/25		
	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) (A27)</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.	1,108,424	1,553	1,109,977
<b>Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)</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.	1,167,560	(7,257)	1,160,303
<b>Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)</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.	782,401	52,210	834,611
<b>Total Departmental Output Expenses</b>	3,058,385	46,506	3,104,891
<b>Departmental Other Expenses</b>			
<b>Loss on Sale of Physical Assets (M22) (A27)</b> This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.	7,260	-	7,260
<b>Total Departmental Other Expenses</b>	7,260	-	7,260
<b>Departmental Capital Expenditure</b>			
<b>New Zealand Defence Force - Capital Expenditure PLA (M22) (A27)</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.	1,099,925	163,506	1,263,431
<b>Total Departmental Capital Expenditure</b>	1,099,925	163,506	1,263,431
<b>Non-Departmental Output Expenses</b>			
<b>Development and Maintenance of Services Cemeteries (M75) (A27)</b> This appropriation is limited to the development and maintenance of Services Cemeteries.	746	-	746
<b>Total Non-Departmental Output Expenses</b>	746	-	746
<b>Non-Departmental Other Expenses</b>			
<b>Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75) (A27)</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) (A27)</b> This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	275	-	275
<b>Impairment of Debt for Benefits or Related Expenses (M75) (A27)</b> This appropriation is limited to the impairment and write-down of Crown Debt associated with previous payments of Benefits or Related Expenses administered by the New Zealand Defence Force.	250	-	250

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Military Veterans Kaupapa Inquiry Claimant Costs (M22) (A27)</b> This appropriation is limited to the costs of claimants, their witnesses and necessary support people to participate in the Wai 2500 Military Veterans Kaupapa Inquiry.	-	100	100
<b>Service Cost - Veterans' Entitlements (M75) (A27)</b> This appropriation is limited to the present value of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.	12,000	3,215,000	3,227,000
<b>Support for Early Childhood Education Services Associated with Defence Bases (M22) (A27)</b> This appropriation is limited to support for Early Childhood Education services whose ongoing operation is essential to the viability of Defence bases.	350	-	350
<b>Support for Vietnam Veterans (M75) (A27)</b> This appropriation is limited to annual comprehensive medical assessments for Vietnam veterans, the monitoring of trends in the health and wellbeing of Vietnam veterans and providing this information to veterans, and ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions.	3,100	-	3,100
<b>Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75) (A27)</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>	16,378	3,215,100	3,231,478
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Advice to the Government MCA (M22) (A27)</b> The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.	16,035	427	16,462
<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.	3,889	(815)	3,074
<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.	10,170	461	10,631
<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.	1,976	781	2,757
<b>Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27)</b> The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction.	30,882	12,295	43,177
<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.	30,367	12,295	42,662
<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.	515	-	515

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Policy Advice And Other Services For Veterans MCA (M75) (A27)</b>	13,949	668	14,617
The single 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.			
<b>Departmental Output Expenses</b>			
<b>Administration Services</b>	4,373	(4)	4,369
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.			
<b>Policy Advice</b>	230	-	230
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.			
<b>Services and Payments to Veterans</b>	9,346	672	10,018
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.			
<b>Protection of New Zealand and New Zealanders MCA (M22) (A27)</b>	575,639	13,912	589,551
The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.			
<b>Departmental Output Expenses</b>			
<b>Assistance to the Civil Power and Provision of a Public Service in Emergency Situations</b>	110,086	3,418	113,504
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.			
<b>Defence International Engagement</b>	128,882	(3,932)	124,950
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.			
<b>Defence Support to the Community</b>	64,218	984	65,202
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.			
<b>Military Assistance to Civil Authorities in Non-Emergency Situations</b>	56,401	1,186	57,587
This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.			
<b>Resource and Border Protection Operations</b>	216,052	12,256	228,308
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.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	636,505	27,302	663,807
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	4,819,199	3,452,414	8,271,613

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Response to the sinking of the HMNZS Manawanui (M22) (A27)</b> This appropriation is limited to costs incurred for the clean-up, salvage, and other remedial activities arising due to the sinking of the HMNZS Manawanui.  Commences: 01 April 2025  Expires: 30 June 2028	Original Appropriation	32,060
	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
	Adjusted Appropriation	32,060
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	32,060
	Estimate for 2025/26	-
	Estimated Appropriation Remaining	-
<b>Non-Departmental Other Expenses</b>		
<b>Unwind of Discount Rate - Veterans' Entitlements (M75) (A27)</b> This appropriation is limited to the unwinding of the discount rate (interest expense) of the liability for the veterans' entitlements provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.  Commences: 01 July 2023  Expires: 30 June 2026	Original Appropriation	317,000
	Adjustments to 2023/24	70,000
	Adjustments for 2024/25	43,000
	Adjusted Appropriation	430,000
	Actual to 2023/24 Year End	144,000
	Estimated Actual for 2024/25	154,000
	Estimate for 2025/26	132,000
	Estimated Appropriation Remaining	-

Total Annual Appropriations and Forecast  
Permanent Appropriations and Multi-Year  
Appropriations

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	4,819,199	3,452,414	8,271,613
Total Forecast MYA Departmental Output Expenses	-	32,060	32,060
Total Forecast MYA Non-Departmental Other Expenses	130,000	24,000	154,000
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>4,949,199</b>	<b>3,508,474</b>	<b>8,457,673</b>

Capital Injection Authorisations

	2024/25		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
New Zealand Defence Force - Capital Injection (M22) (A27)	85,866	47,399	133,265

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2024/25				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	3,059,131	78,566	-	78,566	3,137,697
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	153,638	-	3,239,100	3,239,100	3,392,738
Capital Expenditure	1,099,925	163,506	-	163,506	1,263,431
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	636,505	27,302	-	27,302	663,807
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	<b>4,949,199</b>	<b>269,374</b>	<b>3,239,100</b>	<b>3,508,474</b>	<b>8,457,673</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) (A27)

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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,108,424	1,553	1,109,977
Revenue from the Crown	1,097,846	(1,806)	1,096,040
Revenue from Others	10,578	3,359	13,937

Reasons for Change in Appropriation

This appropriation increased by \$1.553 million to \$1,109.977 million for 2024/25 due to:

- \$2.468 million as a result of revenue received from third parties in relation to upgrading infrastructure for Base Ohakea
- \$416,000 for the NH90 Medium Helicopter Fleet
- \$271,000 as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs
- \$250,000 as a result of revenue received from third parties for their use of the NZDF's helicopter simulators
- \$91,000 as a result of rent revenue received from third parties for their use of the NZDF's housing facilities at Whenuapai, and
- \$17,000 to provide fit-for-purpose homes for NZDF military personnel and their families.

This is partially offset by \$1.960 million as a result of a fiscally neutral adjustment towards the establishment of a new appropriation to fund costs arising in connection to the sinking of the HMNZS Manawanui.

## Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

### *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*

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,167,560	(7,257)	1,160,303
Revenue from the Crown	1,148,365	(7,373)	1,140,992
Revenue from Others	19,195	116	19,311

### *Reasons for Change in Appropriation*

This appropriation decreased by \$7.257 million to \$1,160.303 million for 2024/25 due to:

- \$4.720 million as a result of a fiscally neutral adjustment towards the establishment of a new appropriation to fund costs arising in connection to the sinking of the HMNZS Manawanui
- \$2.200 million as a result of a fiscally neutral adjustment within the Vote to fund the deployment of NZDF personnel to assist the United Nations Command enforce the Armistice Agreement on the Korean Peninsula
- \$768,000 as a result of a fiscally neutral adjustment within the Vote to fund an uplift to allowances for military personnel deployed overseas, and
- \$258,000 as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs.

This is partially offset by:

- \$332,000 for implementation of the Linton Regional Supply Facility
- \$205,000 for replacement of the current Utility Vehicle fleet by addressing immediate obsolescence issues
- \$116,000 as a result of a fiscally neutral adjustment from third party revenue received for the provision of security to the Pipitea Defence Area
- \$27,000 to provide fit-for-purpose homes for NZDF military personnel and their families, and
- \$9,000 for the NH90 Medium Helicopter Fleet.



## Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

### *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*

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	782,401	52,210	834,611
Revenue from the Crown	773,805	(24,738)	749,067
Revenue from Others	8,596	-	8,596

### *Reasons for Change in Appropriation*

This appropriation increased by \$52.210 million to \$834.611 million for 2024/25 due to:

- \$76.948 million to write-off the HMNZS Manawanui.

This is partially offset by:

- \$16.500 million as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs
- \$4.820 million as a result of a fiscally neutral adjustment towards the establishment of a new appropriation to fund costs arising in connection to the sinking of the HMNZS Manawanui
- \$3.100 million as a result of a fiscally neutral adjustment within the Vote to fund the deployment of NZDF personnel to assist the United Nations Command enforce the Armistice Agreement on the Korean Peninsula, and
- \$318,000 as a result of a fiscally neutral adjustment within the Vote to fund an uplift to allowances for military personnel deployed overseas.

Response to the sinking of the HMNZS Manawanui (M22) (A27)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Response to the sinking of the HMNZS Manawanui (M22) (A27)</b> This appropriation is limited to costs incurred for the clean-up, salvage, and other remedial activities arising due to the sinking of the HMNZS Manawanui.  Commences: 01 April 2025  Expires: 30 June 2028	Original Appropriation	32,060
	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
	Adjusted Appropriation	32,060
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	32,060
	Estimate for 2025/26	-
	Estimated Appropriation Remaining	-

Revenue

	Budget \$000
Revenue from the Crown to end of 2025/26	13,280
Revenue from Others to end of 2025/26	18,780
Total Revenue	32,060

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the delivery of the Operation Resolution response to the sinking of the HMNZS Manawanui in Samoa.

How Performance will be Assessed and End of Year Reporting Requirements

	2024/25		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Expenditure supports the delivery of the Operation Resolution response to the sinking of the HMNZS Manawanui in Samoa	New measure	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the New Zealand Defence Force in the NZDF Annual Report for the year ended 30 June 2025 to be presented to the House.

Reasons for Change in Appropriation

This is a new multi-year appropriation established in 2024/25.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### New Zealand Defence Force - Capital Expenditure PLA (M22) (A27)

#### *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*

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,094,260	162,456	1,256,716
Intangibles	5,665	1,050	6,715
Other	-	-	-
<b>Total Appropriation</b>	<b>1,099,925</b>	<b>163,506</b>	<b>1,263,431</b>

#### *Reasons for Change in Appropriation*

This appropriation increased by \$163.506 million to \$1,263.431 million for 2024/25 due to the re-phasing of capital projects in line with current project approvals and a change to the forecasted timing for delivery of these capital projects.

#### *Capital Injections and Movements in Departmental Net Assets*

##### **New Zealand Defence Force**

Details of Net Asset Schedule	2024/25 Main Estimates Projections \$000	2024/25 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2024/25
Opening Balance	11,569,209	11,559,881	Supplementary Estimates opening balance reflects the audited results as at 30 June 2024.
Capital Injections	85,866	133,265	Capital injections of \$47.399 million relate to: \$16.427 million for the Utility Vehicle Replacement Implementation, \$15.615 million for the Linton Regional Supply Facility Implementation, \$8.841 for the Navigation and Encrypted Radios Upgrade for the NH90 Medium Helicopter Fleet, \$3.556 million for the Homes for Families Programme and \$2.960 million for the High-Side Capability Update.
Capital Withdrawals	-	(41,362)	The New Zealand Defence Force sought a Capital Withdrawal in 2024/25 to return excess capital.
Surplus to be Retained (Deficit Incurred)	-	(76,948)	The New Zealand Defence Force has forecasted a deficit in 2024/25 as a result of writing off the HMNZS Manawanui.
Other Movements	-	-	
<b>Closing Balance</b>	<b>11,655,075</b>	<b>11,574,836</b>	

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Military Veterans Kaupapa Inquiry Claimant Costs (M22) (A27)

Scope of Appropriation

This appropriation is limited to the costs of claimants, their witnesses and necessary support people to participate in the Wai 2500 Military Veterans Kaupapa Inquiry.

Expenses

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	100	100

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable participation of claimants, their witnesses and necessary support people in the Wai 2500 Military Veterans Kaupapa Inquiry.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Reasons for Change in Appropriation

This appropriation increased to \$100,000 in 2024/25 due to an expense transfer from 2023/24.

Service Cost - Veterans' Entitlements (M75) (A27)

Scope of Appropriation

This appropriation is limited to the present value of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.

Reasons for Change in Appropriation

The appropriation increased by \$3,215 million to \$3,227 million for 2024/25 to cover the fiscal impact of a legal decision made by the Veterans Entitlements Appeals Board in 2024/25 with respect to a claim made by a Veteran. The Board's decision changed how the Veterans Support Act 2014 was being interpreted.

Unwind of Discount Rate - Veterans' Entitlements (M75) (A27)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Unwind of Discount Rate - Veterans' Entitlements (M75) (A27)</b>  This appropriation is limited to the unwinding of the discount rate (interest expense) of the liability for the veterans' entitlements provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.  Commences: 01 July 2023  Expires: 30 June 2026	Original Appropriation	317,000
	Adjustments to 2023/24	70,000
	Adjustments for 2024/25	43,000
	Adjusted Appropriation	430,000
	Actual to 2023/24 Year End	144,000
	Estimated Actual for 2024/25	154,000
	Estimate for 2025/26	132,000
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

This appropriation increased by \$43 million to \$430 million for 2024/25 to reflect the increase in the Risk-Free Forward Discount Rate.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Advice to the Government (M22) (A27)

#### *Overarching Purpose Statement*

The single 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*

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>16,035</b>	<b>427</b>	<b>16,462</b>
<b>Departmental Output Expenses</b>			
Policy Advice	3,889	(815)	3,074
Situational Awareness	10,170	461	10,631
Supporting Ministers	1,976	781	2,757
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>15,994</b>	<b>427</b>	<b>16,421</b>
Policy Advice	3,878	(815)	3,063
Situational Awareness	10,148	461	10,609
Supporting Ministers	1,968	781	2,749
<b>Revenue from Others</b>	<b>41</b>	<b>-</b>	<b>41</b>
Policy Advice	11	-	11
Situational Awareness	22	-	22
Supporting Ministers	8	-	8

### *Reasons for Change in Appropriation*

This appropriation increased by \$427,000 to \$16,462 million for 2024/25 as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs.

## **Operations Contributing to New Zealand's Security, Stability and Interests (M22) (A27)**

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities 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*

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>30,882</b>	<b>12,295</b>	<b>43,177</b>
<b>Departmental Output Expenses</b>			
Military Operations in Support of a Rules-Based International Order	30,367	12,295	42,662
Military Operations that Contribute to Regional Security	515	-	515
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>30,573</b>	<b>12,195</b>	<b>42,768</b>
Military Operations in Support of a Rules-Based International Order	30,103	12,295	42,398
Military Operations that Contribute to Regional Security	470	(100)	370
<b>Revenue from Others</b>	<b>309</b>	<b>100</b>	<b>409</b>
Military Operations in Support of a Rules-Based International Order	264	-	264
Military Operations that Contribute to Regional Security	45	100	145

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2024/25		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Departmental Output Expenses</b>			
<b>Military Operations in Support of a Rules-Based International Order</b>			
The NZDF's contribution to New Zealand's response to tensions in the Middle East	Meet	Meet	Meet
The NZDF's contribution to US-led coalition to protect shipping in the Middle East	Meet	Meet	Meet
This category is intended to achieve the provision of operations that contribute to New Zealand's security, stability and interests.			
Performance will be assessed on the maintenance of the Government's military commitments to the missions shown below			
UNTSO (Middle East) [Operation Scoria]	Meet	Meet	Meet
UNMISS (South Sudan) [Operation Monitor]	Meet	Meet	Meet
<i>Lead and contribute to regional contingency military operations</i>			
Operation SIAST (Solomon Islands)	Meet	Meet	Meet
<i>Contribute military forces for contingencies in the rest of the world</i>			
UNSCR-sanctions against North Korea [Operation Whio]	Meet	Meet	Meet
Operation Farad: Multinational Force and Observers (Sinai)	Meet	Meet	Meet
New Zealand Defence Support Unit, Middle East	Meet	Meet	Meet
The NZDF's contribution to maritime security efforts in the Middle East	Meet	Meet	Meet
The NZDF's contribution to a multinational intelligence mission in the Middle East	Meet	Meet	Meet
The NZDF's support to the Ukraine Armed Forces	Meet	Meet	Meet

The changes in the Supplementary Estimates Performance Measures for 2024/25 are due to aligning the wording for the above measures with the wording reported in the NZDF Annual Report for the year ended 30 June 2024.

*Reasons for Change in Appropriation*

This appropriation increased by \$12.295 million to \$43.177 million for 2024/25 due to:

- \$10 million as a result of a fiscally neutral adjustment within the Vote to fund the deployment of NZDF personnel to assist the United Nations Command enforce the Armistice Agreement on the Korean Peninsula
- \$1.592 million as a result of a fiscally neutral adjustment within the Vote to fund an uplift to allowances for military personnel deployed overseas
- \$603,000 as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs, and
- \$100,000 as a result of fiscally neutral adjustment within the Vote to procure a system to enhance the NZDF's management of the electromagnetic spectrum.



Policy Advice and Other Services For Veterans (M75) (A27)

Overarching Purpose Statement

The single 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.

Scope of Appropriation

Departmental Output Expenses

Administration Services

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.

Policy Advice

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.

Services and Payments to Veterans

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.

Expenses, Revenue and Capital Expenditure

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>13,949</b>	<b>668</b>	<b>14,617</b>
<b>Departmental Output Expenses</b>			
Administration Services	4,373	(4)	4,369
Policy Advice	230	-	230
Services and Payments to Veterans	9,346	672	10,018
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>13,949</b>	<b>668</b>	<b>14,617</b>
Administration Services	4,373	(4)	4,369
Policy Advice	230	-	230
Services and Payments to Veterans	9,346	672	10,018

Reasons for Change in Appropriation

This appropriation increased by \$668,000 to \$14.617 million for 2024/25 as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs.

## Protection of New Zealand and New Zealanders (M22) (A27)

### Overarching Purpose Statement

The single 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

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>575,639</b>	<b>13,912</b>	<b>589,551</b>
<b>Departmental Output Expenses</b>			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	110,086	3,418	113,504
Defence International Engagement	128,882	(3,932)	124,950
Defence Support to the Community	64,218	984	65,202
Military Assistance to Civil Authorities in Non-Emergency Situations	56,401	1,186	57,587
Resource and Border Protection Operations	216,052	12,256	228,308

	2024/25		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>550,464</b>	<b>12,688</b>	<b>563,152</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	108,486	3,418	111,904
Defence International Engagement	121,011	(3,932)	117,079
Defence Support to the Community	52,504	(110)	52,394
Military Assistance to Civil Authorities in Non-Emergency Situations	55,383	1,186	56,569
Resource and Border Protection Operations	213,080	12,126	225,206
<b>Revenue from Others</b>	<b>25,175</b>	<b>1,224</b>	<b>26,399</b>
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	1,600	-	1,600
Defence International Engagement	7,871	-	7,871
Defence Support to the Community	11,714	1,094	12,808
Military Assistance to Civil Authorities in Non-Emergency Situations	1,018	-	1,018
Resource and Border Protection Operations	2,972	130	3,102

### *Reasons for Change in Appropriation*

This appropriation increased by \$13.912 million to \$589.551 million for 2024/25 due to:

- \$9.353 million as a result of a fiscally neutral adjustment within the Vote to align appropriations to the delivery of outputs
- \$4.388 million for the All of Government Maritime Data Fusion System
- \$1.094 million as a result of a fiscally neutral adjustment for departmental revenue relating to the Ministry of Education's Services Academies Programme
- \$59,000 for the implementation of the Linton Regional Supply Facility, and
- \$18,000 for the NH90 Medium Helicopter Fleet.

This is partially offset by:

- \$1 million as a result of a fiscally neutral adjustment within the Vote to fund the deployment of NZDF personnel to assist the United Nations Command enforce the Armistice Agreement on the Korean Peninsula.