

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE HOUSE]

*House of Representatives, 21 March 1996.*

**Words inserted are shown with double rule before first line and after last line.**

*Rt. Hon. W. F. Birch*

## APPROPRIATION (1994/95 FINANCIAL REVIEW)

---

### ANALYSIS

Title	4. Validation of unappropriated expenses incurred by New Zealand Defence Force in respect of classes of outputs
1. Short Title	5. Validation of any unappropriated expenses which may have been incurred by the Department of Social Welfare in respect of classes of outputs
2. Sanctioning of Order in Council directing transfer of resources between classes of outputs	6. Validation of unappropriated pension expenses
3. Confirmation of unappropriated expenses and liabilities approved by the Minister of Finance	Schedule

---

### A BILL INTITULED

**An Act to sanction, confirm, and validate financial matters relating to the financial year ended on the 30th day of June 1995**

5 BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short Title**—This Act may be cited as the Appropriation (1994/95 Financial Review) Act **1995**.

10 **2. Sanctioning of Order in Council directing transfer of resources between classes of outputs**—The Public Finance (Transfers Between Outputs) Order 1995\* is hereby sanctioned.

**3. Confirmation of unappropriated expenses and liabilities approved by the Minister of Finance**—

\*S.R. 1995/132

No. 124—2

Whereas, in accordance with section 12 of the Public Finance Act 1989, the Minister of Finance approved for the year ended with the 30th day of June 1995—

- (a) The incurring of expenses, in excess of or without appropriation by Parliament, on the classes of outputs, categories of benefit expenses, and categories of other expenses shown in column 3 of the Schedule to this Act (the expenses so approved being shown in each case in column 4 of the Schedule to this Act against the class of outputs, category of benefit expense, or the category of other expenses for which the approval was given); and 5 10
- (b) The incurring of liabilities, in excess of or without appropriation by Parliament, on the capital contributions shown in column 3 of the Schedule to this Act (the liabilities so approved being shown in each case in column 5 of the Schedule to this Act against the capital contribution for which the approval was given): 15

And whereas such expenses and liabilities were incurred accordingly: Be it therefore enacted that the incurring of those expenses and liabilities is hereby confirmed. 20

**4. Validation of unappropriated expenses incurred by New Zealand Defence Force in respect of classes of outputs**—Whereas, for the year ended with the 30th day of June 1995, Parliament appropriated amounts for expenses to be incurred by the New Zealand Defence Force— 25

- (a) In the sum of \$140,812,000 against the appropriation for the Contingent Military Capability to Conduct Maritime Surveillance and Presence Operations class of outputs; and 30
- (b) In the sum of \$23,055,000 against the appropriation for the Contingent Military Capability to Conduct Maritime Anti-Air Operations class of outputs; and
- (c) In the sum \$183,047,000 against the appropriation for the Contingent Military Capability to Conduct Maritime Protective Operations in a Multi-Threat Environment class of outputs; and 35
- (d) In the sum of \$45,792,000 against the appropriation for the Contribution to Peace Support Operations class of outputs; and 40
- (e) In the sum of \$47,416,000 against the appropriation for the Hydrographic Survey and Oceanographic Research class of outputs; and

(f) In the sum of \$23,583,000 against the appropriation for the Emergency Services class of outputs:

5 And whereas the New Zealand Defence Force has reported that it has incurred against each of these output classes expenses in excess of the amount appropriated: And whereas, as a result of retrospective changes the New Zealand Defence Force made to its output costing system during the year ended with the 30th day of June 1995, the New Zealand Defence Force was unable to provide the Audit Office with sufficient  
10 audit evidence to support the basis for allocation of costs to any departmental output class in Vote: Defence Force, (although the New Zealand Defence Force provided the Audit Office with sufficient audit evidence to support the total expenses of \$1,494,506,000 the New Zealand Defence Force  
15 has reported it has incurred against expense appropriations for departmental output classes in Vote: Defence Force totalling \$1,494,545,000): Be it therefore enacted that the incurring of expenses by the New Zealand Defence Force in the financial year ended with the 30th day of June 1995 against any  
20 departmental output class in excess of the amount appropriated by Parliament for that output class is hereby validated.

**5. Validation of any unappropriated expenses which may have been incurred by the Department of Social Welfare in respect of classes of outputs**—Whereas, as a  
25 result of initial problems experienced with new output costing systems the Department of Social Welfare introduced during the year ended with the 30th day of June 1995, the Department of Social Welfare was unable to provide the Audit  
30 Office with sufficient audit evidence to support the basis of allocation of costs to outputs: And whereas this may have resulted in the Department of Social Welfare incurring expenses in excess of appropriation against individual departmental output classes: Be it therefore enacted that any  
35 expenses the Department of Social Welfare may have incurred in the financial year ended with the 30th day of June 1995 against any departmental output class in excess of the amount appropriated by Parliament for that output class are hereby validated.

*New***6. Validation of unappropriated pension expenses—**

Whereas for the year ended with the 30th day of June 1995, the Crown incurred pension expenses totalling \$649,136,000 under the authority of sections 74M(2), 81w(2), 88(2), and 95(1) of the Government Superannuation Fund Act 1956: And whereas the total pension expenses the Crown incurred during that financial year on superannuation schemes under the Government Superannuation Fund Act 1956 exceeded that amount by \$156,000,000: Be it therefore enacted that the incurring of those expenses of \$156,000,000 is hereby validated.

5

10

SCHEDULE

Section 3

UNAPPROPRIATED EXPENSES AND LIABILITIES FOR THE YEAR ENDED 30 JUNE 1995  
CONFIRMED

Column 1 Administering Department	Column 2 Vote	Column 3 Appropriation	Column 4 Expenses \$(000)	Column 5 Liabilities \$(000)
Ministry of Commerce	Commerce	<i>Classes of outputs supplied by the department—</i> Registration and granting of Intellectual Property Rights ... ..	74	
Department of Conservation	Conservation	<i>Other expenses incurred by the Crown—</i> Lake Taupo Access fee ... ..	4	
Crown Law Office	Attorney-General	<i>Classes of outputs supplied by the department—</i> Legal Advice and Representation ... ..	154	
Ministry of Education	Education	<i>Classes of outputs supplied by the department—</i> Management of Contracts and Administration of Payments ... .. Ministerial Servicing ... .. Provision of Information ... ..  <i>Classes of outputs supplied by other parties—</i> Curriculum Support ... .. Primary Education ... .. Secondary Education ... ..  <i>Benefits and other unrequited expenses—</i> Student Allowances— Polytechnics/Wananga ... ..  <i>Capital Contributions to other persons or organisations—</i> Student Loans ... ..	173 43 69  132 10,873 1,795  621	1,595
Education Review Office	Education Review Office	<i>Other expenses incurred by the department—</i> Restructuring expenses ... ..	16	
Ministry of Forestry	Forestry	<i>Classes of outputs supplied by other parties—</i> Management of Maori Lease Forests	394	
Ministry of Health	Health	<i>Classes of outputs supplied by the department—</i> Health and Disability Services Policy Health Regulation and Protection ... ..	15 237	
Department of Internal Affairs	Internal Affairs	<i>Other expenses incurred by the Crown—</i> Commission of inquiry into the collapse of a viewing platform at Cave Creek	11	
Department of Justice	Justice	<i>Other expenses incurred by the department—</i> Loss on sale of fixed assets ... .. Contract termination ... ..	232 5,513	
	Treaty Negotiations	<i>Other expenses incurred by the Crown—</i> Waikato-Tainui Interest ... ..	80	

UNAPPROPRIATED EXPENSES AND LIABILITIES FOR THE YEAR ENDED 30 JUNE 1995  
CONFIRMED—continued

Column 1 Administering Department	Column 2 Vote	Column 3 Appropriation	Column 4 Expenses \$(000)	Column 5 Liabilities \$(000)
National Library	National Library	<i>Classes of outputs supplied by the department—</i> General Collections ... ..	60	
Parliamentary Service	Parliamentary Service	<i>Other expenses incurred by the Crown—</i> ACC Levy ... ..	2	
The Police	Police	<i>Classes of outputs supplied by the department—</i> Policing Services—Violence and Sexual Offences ... .. Policing Services—Property Offences Policing Services—Traffic Offences Custodial Services and the Enforcement of Court Orders ... .. Public Security Services ... ..	384 194 2,372 318 286	
Department of the Prime Minister and Cabinet	Prime Minister and Cabinet	<i>Classes of outputs supplied by the department—</i> Secretariat Services ... ..	46	
Social Welfare	Social Welfare	<i>Benefits and other unrequited expenses—</i> Accommodation Supplement ... .. Aid to Families ... .. Appliances and Equipment ... .. Clothing Allowance ... .. Domestic Purposes ... .. Driving Assessments ... .. Expenses for Car Modifications ... .. Expenses to Attend Treatment ... .. Home Alterations for People with Disabilities ... .. Home Help ... .. Orphan's/Unsupported Child's Benefit Special Needs Grants ... .. Unemployment ... .. Widows Benefit ... ..  <i>Other expenses incurred by the Crown—</i> IHC Assistance ... .. Suspensory Loan Abatement ... ..  <i>Capital Contributions to other persons or organisations—</i> Advance Payment of Benefit ... .. Car Loans for People with Disabilities Loans for Home Alterations for People with Disabilities ... .. Special Needs Loans ... ..	3,655 1,908 3,451 35 1,127 12 3 759 26 50 3 987 2,795 71  12 131  1,292 176 1,382 763	
State Services Commission	State Services	<i>Classes of outputs supplied by the department—</i> Training Works ... ..	236	

*Appropriation (1994/95 Financial Review)*

7

UNAPPROPRIATED EXPENSES AND LIABILITIES FOR THE YEAR ENDED 30 JUNE 1995  
 CONFIRMED—*continued*

Column 1 Administering Department	Column 2 Vote	Column 3 Appropriation	Column 4 Expenses \$(000)	Column 5 Liabilities \$(000)
Statistics	Statistics	<i>Classes of outputs supplied by the department—</i> Population, Social and Labour Force Statistical Information Services ...	390	
Ministry of Women's Affairs	Women's Affairs	<i>Other expenses incurred by the department—</i> Revaluation losses ...	187	
		<i>Other expenses incurred by the department—</i> Loss on sale of fixed assets ...	4	