

Hon. Mark Brown

Appropriation Bill 2018

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Summary

An Act to appropriate certain sums of money out of the Cook Islands Government Account to the services of the year ending on the thirtieth day of June 2019 and to appropriate the supplies granted in this period

MOST GRACIOUS SOVEREIGN: We, Your Majesty's most dutiful and loyal subjects, the Parliament of the Cook Islands, towards making good the supply which we have cheerfully granted to Your Majesty in this year, have resolved to grant Your Majesty the sum specified in this Act and humbly ask Your Majesty to assent to the sum. And the Parliament of the Cook Islands enacts as follows—

1 Title

This Act is the Appropriation Act 2018.

2 Application

This Act applies to the year ending on the thirtieth day of June 2019 ("the year").

3 Grant and appropriation out of the Cook Islands Government Account

- (1) The Minister responsible for Finance may authorise the incurrence of expenses or expenditure and may issue and apply out of the Cook Islands Government Account, towards making good the supplies granted to Her Majesty for the services of the year, any sums which in total do not exceed the sum of **\$268,906,471**.
- (2) Subject to subsection (3) the sums authorised to be supplied are appropriated for the services set out in the votes specified in the Schedules to this Act.
- (3) The votes identified in Schedule 4 to this Act as being funded through loans from financing partners or from grants by development partners are further limited to the lesser of the votes specified in those Schedules and the loan proceeds or grants received for the purpose of financing the expense or expenditure in relation to those votes.
- (4) Notwithstanding Section 37 of the Ministry of Finance and Economic Management Act 1995-96, the appropriations made under this Act will lapse on 30 June 2019.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2019 are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2019; or
 - (b) expenses incurred or payments due during the year ended 30 June 2019 for which a valid invoice was submitted before 30 June 2019, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2019.
- (6) The appropriations made in the Appropriation Act 2017 will lapse on 30 June 2018.
- (7) Payments that may be charged after 30 June 2018 against any appropriation that lapses under the provisions of subsection (6) are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2018; or
 - (b) Expenses incurred or payments due during the year ended 30 June 2018 for which a valid invoice was submitted before 30 June 2018, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2018.
- (8) Where in the period ended 30 June 2018, the Financial Secretary appointed under section 4 of the Ministry of Finance and Economic Management Act 1995-96 had directed that an unexpended appropriation from an Appropriation Act for a previous year be available for expenditure in the year ended 30 June 2018, those appropriations will also lapse on 30 June 2018.
- (9) Payments that may be charged after 30 June 2018 against any appropriation that lapses under the provisions of subsection (8) are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2018; or
 - (b) expenses incurred or payments due during the year ended 30 June 2018 for which a

valid invoice was submitted before 30 June 2018, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2018.

Schedule 1
Agency Budget Appropriations

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Agriculture	892,063	168,643	0	22,181	1,082,887	90,535	992,352
Audit (PERCA)	943,072	120,180	0	21,000	1,084,252	60,700	1,023,552
Crown Law	604,344	144,101	1,189,090	5,983	1,943,518	0	1,943,518
Cultural Development	643,307	168,783	3,708,999	66,655	4,587,744	110,000	4,477,744
Business Trade and Investment Board	442,783	232,576	0	4,500	679,859	23,380	656,479
Education	11,842,096	3,562,242	4,084,964	641,000	20,130,302	0	20,130,302
Environment	855,776	171,724	82,241	30,381	1,140,122	35,000	1,105,122
Finance and Economic Management	4,036,975	641,939	14,746,750	128,530	19,554,194	954,341	18,599,853
Financial Services Development Authority	241,541	177,906	0	9,868	429,315	0	429,315
Foreign Affairs	1,400,854	607,151	10,000	77,726	2,095,731	28,000	2,067,731
Head Of State	171,148	34,080	23,000	8,057	236,285	0	236,285
Health	10,195,124	3,142,925	1,846,870	886,814	16,071,733	350,000	15,721,733
Infrastructure Cook Islands	2,075,717	343,351	3,125,000	241,596	5,785,664	315,626	5,470,038
Internal Affairs	1,096,527	121,085	2,856,393	17,265	4,091,269	6,000	4,085,269
<i>of which: Welfare Payments - Allowances</i>			<i>1,625,543</i>				
Justice	1,834,618	399,371	337,000	131,447	2,702,436	700,000	2,002,436
Corrective Services	100,000	50,000	0	0	150,000	0	150,000
Marine Resources	1,213,318	358,125	337,000	95,000	2,003,443	28,000	1,975,443
Ombudsman	234,268	61,840	0	5,822	301,930	0	301,930
Parliamentary Services	490,352	91,193	62,000	24,579	668,124	0	668,124
Pearl Authority	218,836	234,688	0	25,000	478,524	0	478,524
Police	3,132,254	461,724	405,000	1,009,948	5,008,926	201,783	4,807,143
Prime Minister's Office	1,287,801	271,849	343,000	59,039	1,961,689	0	1,961,689
Public Service Commission	486,227	81,447	1,372,885	79,293	2,019,852	0	2,019,852
Tourism Corporation	1,753,020	2,756,016	5,072,000	36,500	9,617,536	352,000	9,265,536
Transport	529,203	135,964	0	39,047	704,214	36,000	668,214
Cook Islands Investment Corporation	1,141,950	3,298,194	4,879,439	371,189	9,690,772	2,455,943	7,234,829
Cook Islands Seabed Minerals Authority	173,965	111,940	0	7,200	293,105	0	293,105

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Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Capital Funds Committee- Administered by MFEM	0	0	0	0	0	0	0
Total Ministries, Crown & Statutory Agencies	48,037,137	17,949,036	45,123,781	4,045,620	115,155,574	5,747,308	108,766,116
Ministerial Support							
Prime Minister	301,696	109,773	0	11,100	422,569	0	422,569
Deputy Prime Minister	260,784	81,289	0	7,927	350,000	0	350,000
Minister Vaine Mokoroa	121,200	163,300	0	5,500	290,000	0	290,000
Minister Vainetutai Toki-Brown	189,994	101,838	0	11,162	302,994	0	302,994
Minister Robert Tapaitau	204,072	97,993	0	11,504	313,569	0	313,569
Minister George Angene	172,000	131,628	0	12,000	315,628	0	315,628
Leader Of Opposition	154,185	48,200	0	6,800	209,185	0	209,185
Total Ministerial Support Offices	1,403,931	734,021	0	65,993	2,203,945	0	2,203,945
Outer Islands							
Aitutaki	1,187,369	384,505	0	143,884	1,715,758	67,829	1,647,929
Aitutaki Power Supply	0	0	0	0	0	0	0
Atiu	809,982	423,851	0	138,561	1,372,394	224,319	1,148,076
Mangaia	904,134	574,349	0	204,700	1,683,183	301,000	1,382,183
Manihiki	652,271	151,824	0	92,200	896,295	117,501	778,794
Mauke	683,462	210,853	0	178,983	1,073,297	113,853	959,444
Mitiaro	587,374	73,172	0	55,200	715,746	58,900	656,846
Palmerston	260,135	66,058	0	42,000	368,193	20,599	347,594
Penrhyn	487,796	161,948	0	62,407	712,151	74,000	638,151
Pukapuka-Nassau	765,876	143,936	0	140,553	1,050,365	73,695	976,670
Rakahanga	383,232	59,746	0	37,829	480,807	49,336	431,471
Outer Islands Capital Fund-Administered by MFEM	0	0	0	0	0	0	0
Total Outer Islands	6,721,632	2,250,241	0	1,096,316	10,068,189	1,101,032	8,967,157
Gross Total	56,162,700	20,933,298	44,481,631	5,207,929	126,785,558	6,848,340	119,937,218

Schedule 2

PAYMENTS ON BEHALF OF THE CROWN (POBOCs)

Administering Ministry	POBOC	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Compensation of Employees				
Finance & Economic Management	Parliamentary Superannuation	180,000	180,000	0
Audit	Transfer of PERC Salaries and Administration Costs	42,500	42,500	0
Parliamentary Services	Civil List - Personnel	2,011,461	2,267,961	256,500
Parliamentary Services	House of Ariki	178,337	228,420	50,083
Compensation of Employees POBOCs		2,412,298	2,718,881	306,583
Use of Goods and Services				
Audit	Audit Fees	95,600	95,600	0
Justice	General Elections, Petitions and By-Elections	0	0	0
Parliamentary Services	Civil List - Constituency Visits	170,200	170,200	0
Parliamentary Services	Parliamentary Sitting Expenses	120,000	120,000	0
Parliamentary Services	QR Travel and Allowances (local and overseas)	109,000	109,000	0
Parliamentary Services	MP Travel and Allowances (local and overseas)	41,000	141,000	100,000
Foreign Affairs	International Maritime Organisation - Maritime Cook Islands	63,461	63,461	0
Use of Goods and Services POBOCs		599,261	699,261	100,000
Subsidies				
Finance & Economic Management	Apex - Profit Guarantee	750,000	0	-750,000
Cook Islands Investment Corporation	Airport Authority subsidy	2,047,997	2,047,997	0
Cook Islands Investment Corporation	Bank of the Cook Islands - social assistance subsidy	120,000	120,000	0
Cook Islands Investment Corporation	Ports Authority - subsidy	110,099	110,099	0
Cook Islands Investment Corporation	Te Aponga Uira - social assistance subsidy	380,000	380,000	0
Subsidies POBOCs		3,408,096	2,658,096	-750,000
Social Assistance				
Internal Affairs	Welfare Payments	17,353,517	18,156,712	803,195
Social Assistance POBOCs		17,353,517	18,156,712	803,195
Other Expense				
Finance & Economic Management	Pacific Catastrophe Risk Insurance	120,694	120,694	0
Finance & Economic Management	CICC Mission Training Center Construction Grant	600,000	0	-600,000
Finance & Economic Management	CIG Insurance	0	100,000	100,000
Foreign Affairs	International Subscriptions	625,667	673,717	48,050
Other Expenses POBOCs		1,346,361	894,411	0
Grand Total		25,119,533	25,127,361	459,778

Schedule 3**Cook Islands Capital Spending**

	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Cook Islands Government Capital programs	44,904,336	44,518,794	-385,542
Total Capital spending	44,904,336	44,518,794	-385,542

Schedule 4**Official Development Assistance¹**

	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Operating or recurrent expenditure	28,053,720	16,047,701	-12,006,019
Capital Project Expenditure	41,338,420	37,406,056	-3,932,364
Total Borrowing Expenses and Debt Repayment	69,392,140	53,453,757	-15,938,383

Schedule 5a**Other Expenses and Financing Transactions**

Category of Expense	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Contingency Funds - Operating	100,000	200,000	100,000
Crown Infrastructure Depreciation	4,602,897	4,602,500	-397
Provisional for Doubtful Debts	0	0	0
Transfer to Emergency Response Trust Fund	50,000	50,000	0
Transfer to Reserve Trust Fund	592,044	740,767	148,723
Depreciation Contingency Fund	3,957,454	4,065,734	108,280
Total Other Expenses	9,302,395	9,659,001	356,606

¹Excluding Budget Support (Core Sector Support) and appropriated through agencies or POBOCs in schedule 1.

Schedule 5b
Loan Reserve Fund (LRF) Appropriations

Category of Appropriation	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Contribution to LRF - Principal	8,618,817	6,995,000	-1,623,817
Contribution to LRF - Interest	2,062,953	2,367,000	304,047
Total Contribution to LRF	10,681,769	9,362,000	-1,319,769

Summary

Category of Payment	2017/18 Budget Estimate	2018/19 Budget Estimate	Variance
Schedule 1 - Ministry Outputs (Gross Operating)	113,846,920	126,785,558	12,938,638
Schedule 2 - POBOCs	25,119,533	25,127,361	7,828
Schedule 3 - CIG Capital Expenditure	44,904,336	44,518,794	-385,542
Schedule 4 - Official Development Assistance	69,392,140	53,453,757	-15,938,383
Schedule 5a - Other Expenses and Financing Transactions	9,302,396	9,659,001	356,605
Schedule 5b - Loan Reserve Fund Appropriations	10,681,769	9,362,000	-1,319,769
TOTAL APPROPRIATION	273,247,094	268,906,471	-4,340,624

This Act is administered by the Ministry of Finance and Economic Management.

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