

Hon. Mark Brown



Appropriation Bill 2019

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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 2020 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 be it enacted by the Parliament of the Cook Islands in Session assembled, and by the authority of the same, as follows—

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1 Title

This Act is the Appropriation Act 2019.

2 Application

This Act applies to the year ending on the thirtieth day of June 2020 (“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 **\$275,940,536**.
- (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 2020.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2020 are limited to—
 - (a) self balancing journal entries to correct posting errors during the year ended 30 June 2020; or
 - (b) expenses incurred or payments due during the year ended 30 June 2020 for which a valid invoice was submitted before 30 June 2020, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2020.
- (6) The appropriations made in the Appropriation Act 2018 will lapse on 30 June 2019.
- (7) Payments that may be charged after 30 June 2019 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 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 the liability in relation to that invoice had not been made by 30 June 2019.
- (8) Where in the period ended 30 June 2019, 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 2019, those appropriations will also lapse on 30 June 2019.
- (9) Payments that may be charged after 30 June 2019 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 2019; or
 - (b) expenses incurred or payments due during the year ended 30 June 2019 for

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which a valid invoice was submitted before 30 June 2019, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2019.

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Section 3(2) and (3)

Schedule 1 Agency Budget Appropriations

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Agriculture	1,006,072	315,509	0	22,181	1,343,762	90,535	1,253,227
Audit (PERCA)	993,854	114,300	0	21,000	1,129,154	60,700	1,068,454
Crown Law	769,756	181,319	300,000	6,000	1,257,075	0	1,257,075
Cultural Development	740,850	164,502	977,500	93,655	1,976,507	150,000	1,826,507
Business Trade and Investment Board	432,796	344,866	0	4,500	782,162	28,000	754,162
Education	11,366,964	3,275,358	4,612,289	641,000	19,895,611	0	19,895,611
Environment	971,843	351,952	332,241	30,381	1,686,417	35,000	1,651,417
Finance and Economic Management	5,024,219	926,483	14,914,371	358,344	21,223,417	954,341	20,269,076
Financial Services Development Authority	242,797	277,906	0	9,868	530,571	0	530,571
Foreign Affairs	1,815,692	868,103	15,000	77,726	2,776,521	28,000	2,748,521
Head Of State	162,503	43,603	36,000	8,057	250,163	0	250,163
Health	11,643,618	2,842,444	2,146,870	886,614	17,519,546	350,000	17,169,546
Infrastructure Cook Islands	2,399,009	444,564	3,200,000	241,596	6,285,169	300,000	5,985,169
Internal Affairs	1,195,725	277,199	2,978,309	20,113	4,471,346	6,000	4,465,346
<i>of which: Welfare Payments - Allowances</i>			<i>1,291,309</i>				
Justice	1,930,495	377,805	460,000	87,463	2,855,763	550,000	2,305,763
Corrective Services	1,105,842	190,115	0	43,984	1,339,941	100,000	1,239,941
Marine Resources	1,231,685	745,933	300,000	95,000	2,372,618	28,000	2,344,618
Ombudsman	256,350	68,226	0	5,822	330,398	0	330,398
Parliamentary Services	557,267	71,835	110,000	19,579	758,681	0	758,681
Pearl Authority	0	0	0	0	0	0	0
Police	3,518,527	541,724	305,000	1,009,948	5,375,199	201,783	5,173,416
Prime Minister's Office	1,393,400	396,447	873,000	59,039	2,721,886	0	2,721,886
Public Service Commission	375,149	285,616	1,741,645	21,200	2,423,610	0	2,423,610
Tourism Corporation	1,918,191	2,398,471	4,922,000	36,000	9,274,662	150,000	9,124,662
Transport	899,951	208,034	0	52,247	1,160,232	36,000	1,124,232

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Cook Islands Investment Corporation	1,507,476	1,353,014	5,380,000	50,000	8,290,490	753,831	7,536,659
Cook Islands Seabed Minerals Authority	196,778	89,127	0	9,387	295,292	0	295,292
Total Ministries, Crown & Statutory Agencies	53,656,809	17,154,454	43,604,225	3,910,704	118,326,192	3,822,190	114,504,002
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	181,000	97,838	0	11,162	290,000	0	290,000
Minister Robert Tapaitau	188,000	92,010	0	9,990	290,000	0	290,000
Minister George Angene	164,000	114,000	0	12,000	290,000	0	290,000
7th Minister Office	180,000	108,000	0	2,000	290,000	0	290,000
Leader Of Opposition	115,160	168,040	0	6,800	290,000	0	290,000
Total Ministerial Support Offices	1,511,840	934,250	-	66,479	2,512,569	-	2,512,569
Outer Islands							
Aitutaki	1,209,626	416,495	0	434,365	2,060,486	67,828	1,992,658
Atiu	851,976	427,184	0	416,555	1,695,715	224,318	1,471,397
Mangaia	943,706	578,760	0	635,824	2,158,290	301,000	1,857,290
Manihiki	707,715	150,616	0	474,383	1,332,714	119,000	1,213,714
Mauke	730,255	212,655	0	417,034	1,359,944	113,853	1,246,091
Mitiaro	678,693	73,824	0	91,242	843,759	60,900	782,859
Palmerston	282,500	65,474	0	84,399	432,373	20,500	411,873
Penrhyn	599,964	163,309	0	138,881	902,154	74,000	828,154
Pukapuka-Nassau	906,017	142,706	0	213,381	1,262,104	73,695	1,188,409
Rakahanga	415,294	59,249	0	82,406	556,949	50,000	506,949
Total Outer Islands	7,325,746	2,290,272	-	2,988,470	12,604,488	1,105,094	11,499,394
Gross Total	62,494,395	20,378,976	43,604,225	6,965,653	133,443,249	4,927,284	128,515,965

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Schedule 2 PAYMENTS ON BEHALF OF THE CROWN (POBOCs)

Administering Ministry	POBOC	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Compensation of Employees				
Finance & Economic Management	Parliamentary Superannuation	180,000	180,000	0
Audit	PERC Salaries and Administration Costs	42,500	57,500	15,000
Parliamentary Services	Civil List - Personnel	2,267,961	2,901,961	634,000
Parliamentary Services	House of Ariki	228,420	348,420	120,000
Compensation of Employees POBOCs		2,718,881	3,487,881	769,000
Use of Goods and Services				
				0
Audit	Audit Fees	95,600	95,600	0
Prime Minister's Office	Local Government Election	0	30,000	30,000
Parliamentary Services	Civil List - Constituency Visits	170,200	170,200	0
Parliamentary Services	Parliamentary Sitting Expenses	286,000	150,000	(136,000)
Parliamentary Services	QR Travel and Allowances (local and overseas)	109,000	109,000	0
Parliamentary Services	MP Travel and Allowances (local and overseas)	321,000	341,000	20,000
Foreign Affairs	International Maritime Organisation - Maritime Cook Islands	63,461	63,461	0
Use of Goods and Services POBOCs		1,045,261	959,261	(86,000)
Subsidies				
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	128,000	8,000
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		2,658,096	2,666,096	8,000
Social Assistance				
				0
Internal Affairs	Welfare Payments	18,156,712	19,689,535	1,532,823
Social Assistance POBOCs		18,156,712	19,689,535	1,532,823
Other Expense				
				0
Finance & Economic Management	Pacific Catastrophe Risk Insurance	120,694	120,694	0
Finance & Economic Management	CIG Insurance	100,000	100,000	0
Finance & Economic Management	BEPS Subscription	0	35,000	35,000
Foreign Affairs	International Subscriptions	673,717	687,967	14,250
Other Expenses POBOCs		894,411	943,661	0
Grand Total		25,473,361	27,746,434	2,223,823

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Schedule 3 Cook Islands Capital Spending

	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Cook Islands Government Capital Programs	47,071,874	40,410,336	(6,661,538)
Total Capital spending	47,071,874	40,410,336	(6,661,538)

Schedule 4 Official Development Assistance¹

	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Operating or recurrent expenditure	16,047,701	10,396,102	(5,651,599)
Capital Project Expenditure	37,406,056	47,093,335	9,687,278
Total Official Development Assistance	53,453,757	57,489,437	4,035,680

Schedule 5a Other Expenses and Financing Transactions

Category of Expense	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Contingency Funds - Operating	365,000	100,000	(265,000)
Crown Infrastructure Depreciation	4,602,500	4,602,500	-
Provisional for Doubtful Debts	-	0	-
Transfer to Emergency Response Trust Fund	50,000	50,000	-
Transfer to Reserve Trust Fund	740,767	0	(740,767)
Depreciation Contingency Fund	2,173,500	2,173,580	80
Total Other Expenses	7,931,767	6,926,080	(1,005,687)

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

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Schedule 5b Loan Repayment Fund (LRF) Appropriations

Category of Appropriation	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Contribution to LRF - Principal	6,995,000	7,696,000	701,000
Contribution to LRF - Interest	2,367,000	2,229,000	(138,000)
Total Contribution to LRF	9,362,000	9,925,000	563,000

Summary

Category of Payment	2018/19 Supplementary Estimate	2019/20 Budget Estimate	Variance
Schedule 1 - Ministry Outputs (Gross Operating)	130,938,191	133,443,249	2,505,058
Schedule 2 - POBOCs	25,473,361	27,746,434	2,273,073
Schedule 3 - CIG Capital Expenditure	47,071,874	40,410,336	(6,661,538)
Schedule 4 - Official Development Assistance	53,453,757	57,489,437	4,035,680
Schedule 5a - Other Expenses and Financing Transactions	7,931,767	6,926,080	(1,005,687)
Schedule 5b - Loan Reserve Fund Appropriations	9,362,000	9,925,000	563,000
TOTAL APPROPRIATION	274,230,950	275,940,536	1,709,586

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