

Information Supporting the Supplementary Estimates

Vote Science and Innovation

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Science and Innovation (M84)

ADMINISTERING DEPARTMENT: Ministry of Science and Innovation

MINISTER RESPONSIBLE FOR MINISTRY OF SCIENCE AND INNOVATION: Minister of Science and Innovation

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2011/12				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	743,412	621	16,163	16,784	760,196
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	28,171	-	2,219	2,219	30,390
Capital Expenditure	2,117	329	-	329	2,446
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	773,700	950	18,382	19,332	793,032
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Advice and Support on Shaping the Science and Innovation System MCOA (M84)

Scope of Appropriation

Contract Management

Negotiating, managing and monitoring contracts with the Crown's funding and investment agents and with other specific science and technology service providers.

Policy Advice

Policy advice on research, science and technology. This includes investment strategies, the performance and integration of the innovation system, scientific technical advice and ministerial services.

Science and Innovation Contract Management

This output class is limited to contract management, planning, monitoring and evaluating science and innovation outputs and impacts.

Strategic Leadership in the Science and Innovation Sector

This output class is limited to policy advice, ministerial services and leadership of the science and innovation sector.

Explanation for Use of Multi-Class Output Expense Appropriation

Alignment of output class activity having common outcomes within one appropriation.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	35,022	621	35,643
Policy Advice	-	-	-
Science and Innovation Contract Management	20,092	(4,792)	15,300
Strategic Leadership in the Science and Innovation Sector	14,930	5,413	20,343
Revenue from Crown	33,673	1,000	34,673
Policy Advice	-	-	-
Science and Innovation Contract Management	18,947	(4,413)	14,534
Strategic Leadership in the Science and Innovation Sector	14,726	5,413	20,139

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Revenue from Other	1,349	(379)	970
Policy Advice	-	-	-
Science and Innovation Contract Management	1,145	(379)	766
Strategic Leadership in the Science and Innovation Sector	204	-	204

Reasons for Change in Appropriation

The appropriation will increase by \$621,000 in 2011/12. The reasons for the change relates to the following:

- \$1 million to provide for administration costs of scoping and managing the establishment of the Advanced Technology Institute. The funding was provided through a fiscally neutral adjustment from the Non-Departmental Fellowships for Excellence output expense.
- Revenue from Other has reduced by \$379,000 due to a reduction in Contract Management services fees.

Part 2.2 - Non-Departmental Output Expenses

Biological Industries Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to support productivity growth and sustainability of New Zealand's primary industries, and the development of premium food and industrial biological products and technologies responsive to global consumer preferences.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	104,819	4,050	108,869

Reasons for Change in Appropriation

The appropriation will increase by \$4.050 million to \$108.869 million in 2011/12. The reasons for the change in 2011/12 are due to a realignment of contracts that increases the appropriation by \$3.293 million and science investment priorities expenses were transferred from 2010/11 to 2011/12 increasing the appropriation by \$757,000 to match funding commitments.

Crown Research Institute Core Funding (M84)

Scope of Appropriation

This appropriation is limited to Crown Research Institutes to create and maintain capability that is required for their core purpose and strategy.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	215,145	5,000	220,145

Reasons for Change in Appropriation

The appropriation has increased by \$5 million to \$220.145 million in 2011/12. The reason for the change in 2011/12 relates to an increase in funding to Industrial Research Limited. This was a fiscally neutral adjustment from High Value Manufacturing and Services Research output expense.

Energy and Minerals Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to improve mineral extraction, improve energy security and to obtain efficient and affordable energy use.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,997	1,460	13,457

Reasons for Change in Appropriation

The appropriation has increased by \$1.460 million to \$13.457 million in 2011/12. The reasons for the change in 2011/12 are due to a realignment of contracts that increases the appropriation by \$711,000 and science investment priorities expenses were transferred from 2010/11 to 2011/12 increasing the appropriation by \$749,000 to match funding commitments.

Environmental Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to underpin the management, protection and enhancement of natural ecosystems, land and freshwater resources, climate and atmosphere within New Zealand, including Antarctica.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	35,315	(104)	35,211

Reasons for Change in Appropriation

The appropriation has decreased by \$104,000 to \$35.211 million in 2011/12. The reasons for the change in 2011/12 are due to a realignment of contracts that reduces the appropriation by \$1.840 million and science investment priorities expenses were transferred from 2010/11 to 2011/12 increasing the appropriation by \$1.736 million to match funding commitments.

Fellowships for Excellence (M84)

Scope of Appropriation

This appropriation is limited to encouraging the career development of the country's talented early and mid-career researchers.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,770	(291)	11,479

Reasons for Change in Appropriation

The appropriation has decreased by \$291,000 to \$11.479 million in 2011/12. The reasons for the change in 2011/12 are the following:

- a realignment of contracts that reduces the appropriation by \$200,000
- Science investment priorities expenses were transferred from 2010/11 to 2011/12 increasing the appropriation by \$909,000 to match funding commitments
- a decrease in funding of \$1 million to fund Strategic Leadership in the Science and Innovation Sector for administration costs of managing the establishment of the Advanced Technology Institute.

Hazards and Infrastructure Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to support hazard management and improve the durability of NZ urban and rural settlements.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	13,459	884	14,343

Reasons for Change in Appropriation

The appropriation has increased by \$884,000 to \$14.343 million in 2011/12. The reason for the change in 2011/12 is due to a realignment of contracts.

Health and Society Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to improve the health and social well-being of New Zealanders.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	83,694	1,276	84,790

Reasons for Change in Appropriation

The appropriation will increase by \$1.276 million to \$84.790 million in 2011/12. The reason for the change in 2011/12 is due to an increase in funding to fund the capital charges payable by the Health Research Council.

High Value Manufacturing and Services Research (M84)

Scope of Appropriation

This appropriation is limited to research and research applications to develop new technologies, novel materials, and new products, processes and services for the manufacturing and technology sectors.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	157,204	3,260	160,464

Reasons for Change in Appropriation

The appropriation will increase by \$3.260 million to \$160.464 million in 2011/12. The reasons for the change in 2011/12 are:

- a realignment of contracts that reduces the appropriation by \$3.048 million
- an expense transfer from 2010/11 to 2011/12 of \$10.274 million to match contract commitments
- a drawdown of \$1.034 million from the Technology Transfer Contingency
- a transfer of \$5 million to Crown Research Institute Core Funding output expense for Industrial Research Limited.

Vision Mātauranga Capability Fund (M84)

Scope of Appropriation

This appropriation is limited to the development of skilled people and organisations undertaking research that supports the four themes of Vision Mātauranga; indigenous innovation, environmental sustainability, health and social well being, and exploring indigenous knowledge.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,967	628	6,595

Reasons for Change in Appropriation

The appropriation will increase by \$628,000 to \$6.595 million in 2011/12. The reasons for the change in 2011/12 are due to a realignment of contracts that increases the appropriation by \$200,000, and science investment priorities expenses were transferred from 2010/11 to 2011/12 increasing the appropriation by \$428,000 to match funding commitments.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

International Relationships (M84)

Scope of Appropriation

This appropriation is limited to grants for international research relationships.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,821	(200)	9,621

Reasons for Change in Appropriation

The appropriation will reduce by \$200,000 to \$9.621 million in 2011/12. The reason for the change in 2011/12 is due to an expense transfer to meet the cost of a New Zealand - USA Biannual Joint Commission which has been postponed into 2012/13.

National eScience Infrastructure (M84)

Scope of Appropriation

This appropriation is limited to a grant to contribute to the operation of the National eScience Infrastructure, including high-performance computational infrastructure and associated eScience services, that will support New Zealand research.

Expenses

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,182	2,419	9,601

Reasons for Change in Appropriation

The appropriation will increase by \$2.419 million to \$9.601 million in 2011/12. The reason for the change in 2011/12 is an expense transfer to reflect the agreed draw down of funding from venture partners.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Ministry of Science and Innovation - Capital Expenditure PLA (M84)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Science and Innovation, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	367	585	952
Intangibles	1,750	(256)	1,494
Other	-	-	-
Total Appropriation	2,117	329	2,446

Reasons for Change in Appropriation

The Property, Plant and Equipment movement reflects the fitout costs of the move to one premises.

Intangibles are lower than Estimates due to a delay in the ITC programme as a result of the merger of MoRST and FRST.