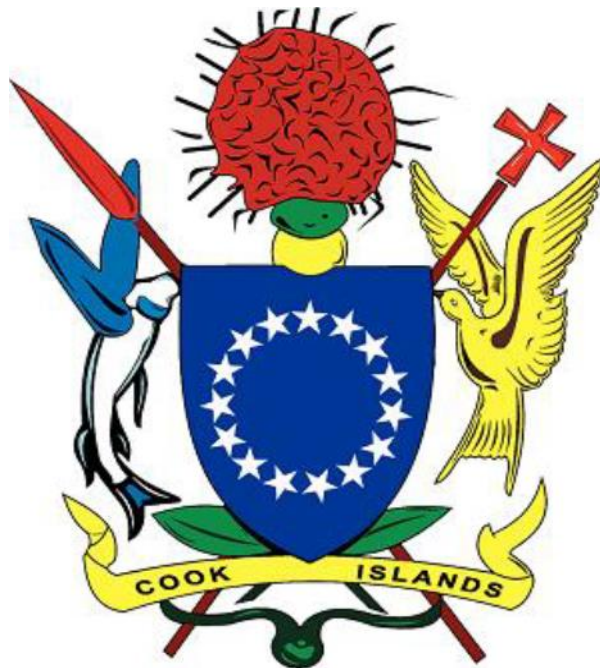

COOK ISLANDS GOVERNMENT
BUDGET ESTIMATES

2022/23

Appropriation Bill 2022



Hon. Mark Brown
Minister of Finance
May 2022



PARLIAMENT OF THE COOK ISLANDS

APPROPRIATION BILL

EXPLANATORY NOTE

This note does not form part of the Bill but is intended to indicate its effect.

The Constitution of the Cook Islands provides in Article 70(1) that “... all expenditure from the Cook Islands Government Account or from any other public fund or account, shall be in accordance with an Appropriation Act...”

Clause 1 provides that, on enactment, the Bill will be called the Appropriation Act 2022.

Clause 2 is the application provision, which specifies the financial year to which the Bill relates. In this case it is the financial year ending 30th June 2023.

Clause 3 authorises expenditure out of the Cook Islands Government Account of the amounts not exceeding those set out in the Schedules to the Bill, for the several votes specified therein.

Subsection 5 limits any expenditure which may be charged to the 2022/23 appropriation to actual expenditure incurred in the period 1 July 2022 to 30 June 2023.

Subsections 6-7 limits any expenditure which may be charged to the 2021/22 appropriation to actual expenditure incurred up to 30 June 2022.

Subsection 8 limits any expenditure which may be charged to appropriations from years prior to 2021/22 to actual expenditure incurred up to 30 June 2022.

Note: The Budget Estimates will be available with the Bill. The breakdown of items and amounts, to justify the figures in the Bill, are presented in the Estimates.

Hon. Mark Brown

Appropriation Bill 2022

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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 2022 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 2022.

2 Application

This Act applies to the year ending on the thirtieth day of June 2023 (“the year”).

Appropriation Bill 2022

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 **\$320,392,247**.
- (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 2023.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2023 are limited to—
 - (a) self-balancing journal entries to correct posting errors during the year ended 30 June 2023; or
 - (b) expenses incurred or payments due during the year ended 30 June 2022 for which a valid invoice was submitted before 30 June 2022, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2023.
- (6) The appropriations made in the Appropriation Act 2021 will lapse on 30 June 2022.
- (7) Payments that may be charged after 30 June 2022 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 2022; or
 - (b) expenses incurred or payments due during the year ended 30 June 2022 for which a valid invoice was submitted before 30 June 2022, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2022.
- (8) Where in the period ended 30 June 2022, 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 2022, those appropriations will also lapse on 30 June 2022.
- (9) Payments that may be charged after 30 June 2022 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 2022; or
 - (b) expenses incurred or payments due during the year ended 30 June 2022 for which a valid invoice was submitted before 30 June 2022, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2022.

Appropriation Bill 2022

**Schedule 1
Agency Budget Appropriations**

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Agriculture	1,095,572	314,509	0	45,000	1,455,081	90,535	1,364,546
Audit (PERCA)	996,953	119,701	0	16,000	1,132,654	156,300	976,354
Business Trade and Investment Board	365,000	242,266	0	4,000	611,266	27,400	583,866
Cook Islands Investment Corporation	1,458,000	824,000	1,200,000	45,000	3,527,000	753,831	2,773,169
Corrective Services	1,459,326	229,131	0	41,000	1,729,457	100,000	1,629,457
Crown Law	987,500	163,500	50,000	3,000	1,204,000	0	1,204,000
Cultural Development	734,250	128,000	615,000	89,500	1,566,750	170,000	1,396,750
Education	12,230,197	2,495,820	4,834,602	615,000	20,175,619	0	20,175,619
Environment	990,826	201,000	412,241	30,000	1,634,067	35,000	1,599,067
Finance and Economic Management	6,534,508	822,419	22,504,650	260,000	30,121,577	954,341	29,167,236
Financial Services Development Authority	242,797	177,906	30,000	3,000	453,703	0	453,703
Foreign Affairs	1,932,692	1,019,103	15,000	45,000	3,011,795	28,000	2,983,795
Head Of State	178,548	22,658	36,000	14,000	251,206	0	251,206
Health	12,833,011	3,648,951	2,536,870	1,570,000	20,588,832	350,000	20,238,832
Infrastructure Cook Islands	2,369,871	379,129	2,480,000	145,000	5,374,000	300,000	5,074,000
Internal Affairs	1,357,376	299,000	3,204,217	12,000	4,872,593	0	4,872,593
of which: Welfare Payments - Allowances			1,307,217				
Justice	2,028,976	350,000	460,000	23,000	2,861,976	425,000	2,436,976
Marine Resources	1,478,942	455,058	150,000	150,000	2,234,000	20,000	2,214,000
Ombudsman	233,000	62,000	0	6,000	301,000	0	301,000
Parliamentary Services	620,100	80,000	120,000	72,720	892,820	0	892,820
Police	4,154,896	286,104	215,000	1,010,000	5,666,000	154,783	5,511,217
Prime Minister's Office	1,532,200	459,000	1,193,000	15,000	3,199,200	0	3,199,200
Public Service Commission	350,000	191,510	1,903,170	5,000	2,449,680	0	2,449,680
Cook Islands Seabed Minerals Authority	590,944	299,056	100,000	9,500	999,500	240,000	759,500
Tourism Corporation	2,300,022	1,319,978	4,500,000	52,000	8,172,000	0	8,172,000
Transport	1,023,500	150,221	0	25,609	1,199,330	41,221	1,158,109
Total Ministries, Crown & Statutory Agencies	60,079,007	14,740,020	46,559,750	4,306,329	125,685,106	3,846,411	121,838,695
Ministerial Support							
Prime Minister	406,069	121,289	0	12,642	540,000	0	540,000
Deputy Prime Minister	297,800	70,611	0	9,589	378,000	0	378,000
Ministerial Support 1	181,000	115,838	0	11,162	308,000	0	308,000
Ministerial Support 2	164,000	132,000	0	12,000	308,000	0	308,000
Ministerial Support 3	217,500	85,000	0	5,500	308,000	0	308,000
Ministerial Support 4	188,901	109,509	0	9,590	308,000	0	308,000
Leader Of Opposition	163,712	131,462	0	12,826	308,000	0	308,000
Total Ministerial Support Offices	1,618,982	765,709	0	73,309	2,458,000	0	2,458,000

Appropriation Bill 2022

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Outer Islands							
Aitutaki	1,240,593	417,547	0	480,000	2,138,140	67,828	2,070,312
Atiu	913,445	458,918	0	430,000	1,802,363	224,318	1,578,045
Mangaia	984,863	611,848	0	210,000	1,806,711	301,000	1,505,711
Manihiki	760,803	159,165	0	460,000	1,379,968	119,000	1,260,968
Mauke	825,143	237,194	0	380,000	1,442,337	113,853	1,328,484
Mitiaro	733,595	88,527	0	93,000	915,122	60,900	854,222
Palmerston	284,152	71,851	0	80,000	436,003	20,500	415,503
Penrhyn	667,783	180,836	0	180,000	1,028,619	74,000	954,619
Pukapuka-Nassau	943,074	155,503	0	215,000	1,313,577	73,695	1,239,882
Rakahanga	429,844	67,761	0	82,000	579,605	52,000	527,605
Total Outer Islands	7,783,295	2,449,150	0	2,610,000	12,842,445	1,107,094	11,735,351
Gross Total	69,481,284	17,954,879	46,559,750	6,989,638	140,985,551	4,953,505	136,032,046

Appropriation Bill 2022

Schedule 2 PAYMENTS ON BEHALF OF THE CROWN (POBOCs)

Administering Ministry	POBOC	2021/22 Budget Estimate	2022/23 Budget Estimate
Compensation of Employees			
Finance & Economic Management	Parliamentary Superannuation	180,000	180,000
Audit	PERC Salaries and Administration Costs	57,500	57,500
Parliamentary Services	Civil List - Personnel	2,901,961	2,901,961
Parliamentary Services	House of Ariki	348,420	0
Cultural Development	House of Ariki (CI)	0	326,690
Compensation of Employees POBOCs		3,487,881	3,466,151
Use of Goods and Services			
Audit	Audit Fees	95,600	103,000
Prime Minister's Office	Local Government Election	0	0
Parliamentary Services	Civil List - Constituency Visits	170,200	170,200
Parliamentary Services	Parliamentary Sitting Expenses	200,000	200,000
Parliamentary Services	QR Travel and Allowances (local and overseas)	109,000	109,000
Parliamentary Services	MP Travel and Allowances (local and overseas)	180,000	230,000
Foreign Affairs	International Maritime Organisation - Maritime Cook Islands	63,461	63,461
Transport	Maritime Radio Coverage	120,000	120,000
Use of Goods and Services POBOCs		938,261	995,661
Subsidies			
Cook Islands Investment Corporation	Airport Authority subsidy	2,047,997	2,047,997
Cook Islands Investment Corporation	Bank of the Cook Islands - social assistance subsidy	128,000	128,000
Cook Islands Investment Corporation	Ports Authority - subsidy	110,099	110,099
Cook Islands Investment Corporation	Te Aponga Uira - social assistance subsidy	0	0
Cook Islands Investment Corporation	Te Mana Uira o Araura - subsidy	0	0
Cook Islands Investment Corporation	To Tatou Vai (CI)	0	3,000,000
Subsidies POBOCs		2,286,096	5,286,096
Social Assistance			
Internal Affairs	Welfare Payments	20,227,000	21,067,190
Social Assistance POBOCs		20,227,000	21,067,190
Other Expense			
Finance & Economic Management	Pacific Catastrophe Risk Insurance	160,000	160,000
Finance & Economic Management	CIG Insurance	40,000	40,000
Finance & Economic Management	BEPS Subscription	35,000	45,000
Finance & Economic Management	Competition and Regulatory Authority	620,574	400,000
Foreign Affairs	International Subscriptions	890,000	890,000
Other Expenses POBOCs		1,745,574	1,535,000
Grand Total		28,684,812	32,350,098

Schedule 3 Cook Islands Capital Spending

	2021/22 Budget Estimate	2022/23 Budget Estimate
Cook Islands Government Capital programs	32,001,262	34,159,912
Total Capital spending	32,001,262	34,159,912

Appropriation Bill 2022

Schedule 4 Official Development Assistance¹

	2021/22 Budget Estimate	2022/23 Budget Estimate
Operating or recurrent expenditure	25,340,981	26,304,809
Capital Project Expenditure	28,473,479	65,147,594
Total Official Development Assistance	53,814,460	91,452,403

Schedule 5a Other Expenses and Financing Transactions

	2021/22 Budget Estimate	2022/23 Budget Estimate
Contingency Funds - Operating	100,000	100,000
Crown Infrastructure Depreciation	4,603,000	4,603,000
Provisional for Doubtful Debts	0	0
Transfer to Emergency Response Trust Fund	50,000	50,000
Advanced Subsidiaries - Avaroa Cable Ltd	0	0
Transfer to Reserve Trust Fund	0	0
Depreciation Contingency Fund	2,174,000	2,174,000
Total Other Expenses	6,927,000	6,927,000

Schedule 5b Loan Repayment Fund Appropriations

	2021/22 Budget Estimate	2022/23 Budget Estimate
Contribution to LRF - Principal	8,860,401	7,737,276
Contribution to LRF - Interest	4,051,495	6,780,007
Total Contribution to LRF	12,911,896	14,517,283

Summary

	2021/22 Budget Estimate	2022/23 Budget Estimate
Schedule 1 - Ministry Outputs (Gross Operating)	165,710,315	140,949,551
Schedule 2 - POBOCs	28,684,812	32,350,098
Schedule 3 - CIG Capital Expenditure	32,001,262	34,195,912
Schedule 4 - Official Development Assistance	53,814,460	91,452,403
Schedule 5a - Other Expenses and Financing Transactions	6,927,000	6,927,000
Schedule 5b - Loan Reserve Fund Appropriations	12,911,896	14,517,283
TOTAL APPROPRIATION	300,049,745	320,392,247

This Act is administered by the Ministry of Finance and Economic Management.
Printed under the authority of the Cook Islands Parliament—2022

¹ Excluding Budget Support and Core Sector Support appropriated through agencies in Schedule 1.