

The Treasury

Budget 2014 Information Release

Release Document

July 2014

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
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- [5] 9(2)(ba)(i) - to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.
- [6] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [7] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [9] 9(2)(h) - to maintain legal professional privilege
- [10] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [11] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [12] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [13] Not in scope
- [14] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [3] appearing where information has been withheld in a release document refers to section 9(2)(a).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2014: Vote Labour Technical Initiatives

On 7 April 2014, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2014 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
8285	Electricity and Gas Safety Policy	-	0.200	0.200	0.200	0.200
8116	Savings from the formation of the Ministry of Business, Innovation and Employment	-	(1.026)	(1.026)	(1.026)	(1.026)
8270	Vote Realignment to Reflect Implementation of One-Cost Allocation Methodology	2.500	-	-	-	-
Total Operating		2.500	(0.826)	(0.826)	(0.826)	(0.826)

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** the changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 4 **agreed** that the changes to appropriations for 2013/14 above be included in the 2013/14 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2013/14 Supplementary Estimates, the 2014/15 Estimates and the fiscal forecasts;

- 6 **noted** that all communications relating to the 2014 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

Reference: CAB (14) 160

Initiative No: 8285

Vote: Labour

Title: Electricity and Gas Safety Policy

Description: Provides for the transfer of the Crown funded portion of electricity and gas safety policy from Vote Energy to Vote Labour to continue providing policy advice on legislation.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	0.200	0.200	0.200	0.200
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.200	0.200	0.200	0.200

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Multi-Category Expenses and Capital Expenditure					
Policy Advice and Related Outputs					
Departmental Output Expense:					
Policy Advice - Labour (funded by revenue Crown)	-	0.200	0.200	0.200	0.200
Total Operating	-	0.200	0.200	0.200	0.200
Total Capital	-	-	-	-	-

Additional recommendation

- 7 **noted** that a corresponding initiative in Vote Energy will complete this fiscally neutral adjustment.

Vote: Labour

Title: Savings from the formation of the Ministry of Business, Innovation and Employment

Description: Savings as a result of the formation of the Ministry of Business, Innovation and Employment.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	(1.026)	(1.026)	(1.026)	(1.026)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(1.026)	(1.026)	(1.026)	(1.026)

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expenses:					
Employment Relations Services (funded by revenue Crown)	-	(0.784)	(0.784)	(0.784)	(0.784)
Multi-Category Expenses and Capital Expenditure:					
Policy Advice and Related Outputs (funded by revenue Crown)					
Departmental Output Expenses:					
Ministerial Services (MCA) (funded by revenue Crown)	-	(0.034)	(0.034)	(0.034)	(0.034)
Policy Advice – Labour (MCA) (funded by revenue Crown)	-	(0.208)	(0.208)	(0.208)	(0.208)
Total Operating	-	(1.026)	(1.026)	(1.026)	(1.026)
Total Capital	-	-	-	-	-

Initiative No: 8294

Vote: Labour

Title: Shared Services Support

Description: This initiative provides for support services on behalf of WorkSafe New Zealand. This will be funded from revenue received from WorkSafe New Zealand.

New Appropriation Approval

Name	Period	Type	Category Name	Scope
Shared Services Support	Annual	Departmental Output Expenses	N/A	This appropriation is limited to the provision of support services to other agencies.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expenses:					
Health and Safety Services (funded by revenue Other)	-	(11.505)	(11.505)	(11.505)	(11.505)
Shared Services Support (funded by revenue Other)	-	11.505	11.505	11.505	11.505
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 8270

Vote: Labour

Title: Vote Realignment to Reflect Implementation of One-cost Allocation Methodology

Description: Fiscally neutral adjustments across Votes and appropriations administered by the Ministry of Business, Innovation and Employment (MBIE) to reflect the introduction of one-cost allocation methodology following the establishment of MBIE and implementation of the organisation management structure.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	2.500	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	2.500	-	-	-	-

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expenses:					
Employment Relations Services (funded by revenue Crown)	3.600	-	-	-	-
Policy Advice and Related Outputs (MCOA)					
Ministerial Services (funded by revenue Crown)	(0.900)	-	-	-	-
Policy Advice - Labour (funded by revenue Crown)	(0.200)	-	-	-	-
Total Operating	2.500	-	-	-	-
Total Capital	-	-	-	-	-