

# The Treasury

## Budget 2012 Information Release

### Release Document

June 2012

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- [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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- [6] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [7] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [10] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [11] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [12] 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.

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

**Treasury Report:** Finalising the Budget 2012 Vote Education package [For Proactive Release - Consultation with MoE]

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<b>Date:</b>	4 May 2012	<b>Report No:</b>	T2012/864
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**Action Sought**

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	<b>Action Sought</b>	<b>Deadline</b>
Minister of Finance (Hon Bill English)	<b>Agree</b> to the final Budget 2012 Vote Education package.	Monday 7 May 2012

**Contact for Telephone Discussion** (if required)

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<b>Name</b>	<b>Position</b>	<b>Telephone</b>	<b>1st Contact</b>
[3]	Graduate Analyst, Education & Skills	[3]	
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**Minister of Finance's Office Actions** (if required)

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Forward a signed copy of this report to the Minister of Education for her approval.  
Return the signed copy to Treasury.

**Enclosure: No**

## Treasury Report: Finalising the Budget 2012 Vote Education package [For Proactive Release - Consultation with MoE]

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This paper seeks Joint Ministers' approval to finalise the Budget 2012 Vote Education package. The Ministry of Education supports the recommendations in this paper.

### Recommended Action

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We recommend that the Minister of Finance and the Minister of Education:

- a **note** that Cabinet met on the 23 April 2012 to discuss the Budget 2012 Vote Education financial recommendations, and delegated to the Minister of Finance and the Minister of Education the authority to approve changes to the Budget 2012 Vote Education package and the resulting changes in appropriations;
- b **note** that Cabinet agreed that the combined effect of projected student roll growth and changes to student:teacher ratios will result in teacher numbers in 2016 being no lower than in 2011;
- c **approve** the following changes to appropriations to give effect to recommendation b, with a corresponding impact on the operating balance:

Vote Education Minister of Education	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Non-Departmental Other Expenses:</b>					
Primary Education	-	-	(26.735)	(64.518)	(65.156)
Secondary Education	-	-	(1.494)	(3.592)	(3.604)
Special Needs Support	-	-	(1.510)	(3.643)	(3.678)
<b>Total Operating</b>	-	-	<b>(29.739)</b>	<b>(71.753)</b>	<b>(72.438)</b>
<b>Total Capital</b>	-	-	-	-	-

*Agree/disagree.*

*Agree/disagree.*

- d **note** that the changes to appropriations in recommendation c replace the changes to appropriations for initiative 7128 "Providing More Consistent Curriculum Staffing Ratios" in the Budget 2012 Vote Education financial recommendations;
- e **agree** that the following amount for "Initiatives to Accelerate Achievement for Priority Learners" be set aside as a tagged contingency, and that the corresponding funding be set aside in the between-Budget spending contingency:

<b>Vote Education Minister of Education</b>	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Initiatives to Accelerate Achievement for Priority Learners	-	13.296	13.296	2.133	4.230
<b>Total Operating</b>	-	<b>13.296</b>	<b>13.296</b>	<b>2.133</b>	<b>4.230</b>

*Agree/disagree.*

*Agree/disagree.*

f [6]

g **note** that the funding set aside in recommendation e will be used to support the Government's Better Public Services target to increase the proportion of 18-year-olds with NCEA Level 2 or equivalent qualification;

h [6]

i [6]

j [6]

- k **approve** the following changes to appropriations to correct an expense type error for initiative 7246 “Support for Youth Mental Health Initiatives” in the Budget 2012 Vote Education financial recommendations, with no additional impact on the operating balance:

Vote Education Minister of Education	\$m - increase/(decrease)					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Departmental Output Expense:</b>						
Interventions for Target Student Groups (funded by revenue Crown)	-	2.116	2.014	2.149	2.455	4.809
<b>Non-Departmental Other Expense:</b>						
Special Needs Support	-	0.862	1.324	2.016	1.527	1.609
<b>Total Operating</b>	<b>-</b>	<b>2.978</b>	<b>3.338</b>	<b>4.165</b>	<b>3.982</b>	<b>6.418</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Agree/disagree.*

*Agree/disagree.*

- l **note** that as a result of these amendments, the Budget 2012 Vote Education package balances to the amount of new operating funding allocated as follows:

\$m - increase/(decrease)	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Drawdown of Budget 2011 Contingency for Managing Known Risks in the Vote	(60.030)	(67.561)	(69.305)	(68.954)	(69.073)
2011/12 Forecast Changes	(85.597)	(88.902)	(21.962)	(70.562)	42.895
Employer Contributions to KiwiSaver, TRSS and SSRSS	-	67.541	70.175	70.170	70.170
Budget 2012 Operating Initiatives Funded from Allocation	[10]				
<b>Total New Funding in Budget 2012</b>	<b>[10]</b>				

Rohan Biggs  
Senior Analyst, Education & Skills

Hon Bill English  
**Minister of Finance**

Hon Hekia Parata  
**Minister of Education**