

# The Treasury

## Budget 2012 Information Release

### Release Document

June 2012

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

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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
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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.

Hon Bill English  
Parliament Buildings  
WELLINGTON

Dear Minister

Thank you for forwarding me the Four Year Budget Plan for the Treasury and also for your recent March Baseline Update submission covering Vote Finance.

#### **Four Year Budget Plan**

I consider that the Four Year Budget Plan prepared by the Treasury and covering Vote Finance is acceptable. I note that there are still some processes that need to be worked through to ensure that Treasury will be able to manage within baselines over the forecast period, e.g. evaluating and seeking agreement with Ministers through the upcoming 2012/13 output planning process on the optimal mix of activities for delivering on the Government's priorities for this term, and implementing its recently developed workforce strategy. It would be appropriate for a revised Four Year Budget Plan addressing these factors to be submitted in advance of Budget 2013.

#### **Budget initiatives**

Budget Ministers have considered and are comfortable supporting in full the following Budget initiatives relating to Vote Finance, which were signalled in the Plan (and are mostly fiscally neutral):

- Landcorp Protected Land Agreement (CFISnet #7381).
- Better Services for Less (reinstatement of tagged contingency) (CFISnet#7377).
- Expense capital transfer to 2015/16 (CFISnet#7379).
- New arrangements to borrow (loan to IMF) (CFISnet#7382).
- FNA from policy advice to financial operations (CFISnet#7447).

#### **Final Budget decisions**

Final decisions on the Budget 2012 package (including initiatives and possible expenditure savings) will be taken by Cabinet on 23 April 2012. Please note also that

acceptance of any or all Four Year Budget Plans is subject to the Government making satisfactory progress towards its priority of returning to surplus by 2014/15. Any changes to economic circumstances that put this surplus target at risk may cause Cabinet to reconsider its fiscal track and some or all Plans.

**March Baseline Update**

I have examined your submission and approve your updated baselines for Vote Finance, including some minor fiscally neutral adjustments in departmental output expenses which have been identified since the date of your submission, and which are now reflected in an updated Table 2 in Treasury's CFISnet system.

Yours sincerely

Hon Steven Joyce  
**Associate Minister of Finance**