

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.

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
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [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.

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, an [4] appearing where information has been withheld in a release document refers to section 9(2)(b)(ii).

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 2012: Vote Economic Development

On 23 April 2012, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2012 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)				
		2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
7343	Policy Advice - Rugby World Cup 2011 and Government Electronic Tenders Service	1.246	-	-	-	-
7344	Convention Centre	1.014	0.507	0.362	0.217	-
7358	Savings from Grants, Major Events, Management Development and Escalator Funds	(8.126)	-	-	-	-
7513	Return of Savings and Transfer to Canterbury Business Support	(6.272)	(3.880)	(3.680)	(9.250)	(9.250)
Total Operating		(12.138)	(3.373)	(3.318)	(9.033)	(9.250)

- 2 **approved** the changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 4 **agreed** that the changes to appropriations for 2011/12 above be included in the 2011/12 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 2011/12 Supplementary Estimates, the 2012/13 Estimates and the fiscal forecasts;

- 6 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 7 **noted** that all communications relating to the 2012 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

References: CAB (12) 154; CAB (12) 155

Initiative No: 7343

Vote: Economic Development

Title: Policy Advice - Rugby World Cup 2011 and Government Electronic Tenders Service

Description: To assist with funding of additional costs incurred in relation to the Rugby World Cup 2011 policy and development and on-going support of the Government Electronic Tenders Service (GETS) programme. The costs will be met through reprioritisation of savings in Vote Economic Development (see initiative 7358).

Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	1.246	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	1.246	-	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Departmental Output Expenses:					
Policy Advice – Sectoral Leadership and Development, Firm Capability, and Regional Development (funded by revenue Crown)	1.246	-	-	-	-
Total Operating	1.246	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 7344

Vote: Economic Development

Title: Convention Centre

Description: The costs (up to \$2.100 million) that the Crown will incur in ensuring that the design and facilities of the New Zealand International Convention Centre meet the government's aspirations (if the project proceeds). The costs will be met through reprioritisation of savings in Vote Economic Development (see initiative 7358).

Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	1.014	0.507	0.362	0.217	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	1.014	0.507	0.362	0.217	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Departmental Output Expenses:					
Policy Advice - Economic Development (MCOA)					
Policy Advice and Sector Leadership - Firm Capability, Sectoral and Regional Development (funded by revenue Crown)	1.014	-	-	-	-
Sectoral Leadership, Firm Capability, and Regional Development Operational Policy, Ministerial Servicing and Crown Entity Monitoring (funded by revenue Crown)	-	0.507	0.362	0.217	-
Total Operating	1.014	0.507	0.362	0.217	-
Total Capital	-	-	-	-	-

Initiative No: 7358**Vote:** Economic Development**Title:** Savings from Grants, Major Events, Management Development and Escalator Funds**Description:** Savings from Grants, Major Events, Management Development and Escalator Funds, to assist with funding the policy advice (initiative 7343) and New Zealand International Convention Centre (initiative 7344) activities.**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	(8.126)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(8.126)	-	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Non-Departmental Output Expenses:					
International Business Growth Services	(0.800)	-	-	-	-
Non-Departmental Other Expenses:					
International Growth Fund	(4.193)	-	-	-	-
Major Events Development Fund	(2.000)	-	-	-	-
Management Development Fund	(1.133)	-	-	-	-
Total Operating	(8.126)	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 7513

Vote: Economic Development

Title: Return of Savings and Transfer to Canterbury Business Support

Description: Return savings from the Regional Partnerships and Facilitation and Transformational Initiatives fund after transferring \$1.000 million for Canterbury Business Support.

Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	(6.272)	(3.880)	(3.680)	(9.250)	(9.250)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(6.272)	(3.880)	(3.680)	(9.250)	(9.250)

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Non-Departmental Other Expenses:					
Canterbury Earthquake Recovery – Business Support	-	1.000	-	-	-
Regional Partnerships and Facilitation	(3.686)	(3.680)	(3.680)	(9.250)	(9.250)
Transformational Initiatives Fund (MYA)	(2.586)	(1.200)	-	-	-
Total Operating	(6.272)	(3.880)	(3.680)	(9.250)	(9.250)
Total Capital	-	-	-	-	-

Additional Recommendations

- 8 **noted** that the Transformational Initiatives Fund Multi Year Appropriation (MYA) is adjusted by \$3.786 million;
- 9 **noted** that amounts shown in the appropriations changes table for the Transformational Initiatives Fund MYA are the change to the indicative annual spending profile.