



# Budget Economic *and* Fiscal Update

16 May 2013

ISBN: 978-0-478-40312-1 (print) 978-0-478-40313-8 (online)

The Persistent URL for the BEFU 2013 is <http://purl.oclc.org/nzt/b-1544>

## Guide to the Budget Documents

A number of documents are released on Budget day. The purpose of these documents is to provide information about the wider fiscal and economic picture and the Government's spending intentions for the year ahead. The Budget documents are as follows:

### Executive Summary

The *Executive Summary* is the overview of all the Budget information and contains the main points for the media and public. This summarises the Government's spending decisions and key issues raised in the *Budget Speech*, the *Fiscal Strategy Report*, and the *Budget Economic and Fiscal Update*.

### Budget Speech

The *Budget Speech* is the Minister of Finance's speech delivering the Budget Statement at the start of Parliament's Budget debate. The Budget Statement generally focuses on the overall fiscal and economic position, the Government's policy priorities and how those priorities will be funded.

### Fiscal Strategy Report

The *Fiscal Strategy Report* sets out the Government's fiscal strategy in areas such as the balance between operating revenues and expenses, and debt objectives. The report includes fiscal trends covering at least the next 10 years and the Government's long term fiscal objectives.

The Government must explain changes in, and/or inconsistencies between, the *Fiscal Strategy Report*, the *Budget Policy Statement* and the previous year's *Fiscal Strategy Report*.

### Budget Economic and Fiscal Update

The *Update* includes Treasury's overall economic forecasts and the forecast financial statements of the Government, along with the implications of Government financial decisions and other information relevant to the fiscal and economic position.

### The Estimates of Appropriations

The *Estimates* outline expenses and capital expenditure the Government plans to incur on specified areas within each Vote for the financial year about to start (the Budget year).

### Information Supporting the Estimates of Appropriations

*Information Supporting the Estimates* is organised on the basis of sectors, with each Vote and its administering department allocated to one sector (a small number of departments are in more than one sector). The *Information Supporting the Estimates* comprises sector overview information, together with statements of responsibility; performance information for appropriations in Votes covered by the sector; and statements of forecast service performance and forecast financial statements of departments included in the sector.

### The Supplementary Estimates of Appropriations and Supporting Information

The *Supplementary Estimates* outlines the additional expenses and capital expenditure required for the financial year about to end. The *Supporting Information* provides reasons for the changes to appropriations during the year, related changes in performance information and certain additional performance information for new appropriations.

### NZ Budget App

Smartphone and tablet users can also access the Budget documents through the NZ Budget App. The App is available on the Apple Store for iOS devices and the Google Play store for Android devices or see [www.treasury.govt.nz/budget/app](http://www.treasury.govt.nz/budget/app).

### Websites

These documents are available at [www.treasury.govt.nz](http://www.treasury.govt.nz) and [www.budget.govt.nz](http://www.budget.govt.nz).

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### Other Information

On the Treasury's website is a series of other information that provides users of the *Budget Economic and Fiscal Update* with further detail. This other information should be read in conjunction with the published document.

Additional *Budget Update* information includes:

- Detailed economic forecast information – tables providing breakdowns of the economic forecasts
- Treasury and Inland Revenue tax forecasts – detailed tax revenue and receipts tables comparing Treasury's forecasts with IRD's forecasts
- Tax policy changes – an analysis of the effect of changes in tax policy on forecasts for tax revenue since the *Half Year Update*
- Additional fiscal indicators – estimates of the cyclically-adjusted balance and fiscal impulse
- Government Finance Statistics (GFS) for central government – fiscal tables presented under a GFS presentation framework to help with cross-country comparisons
- Accounting policies – outline of the specific Crown accounting policies. The published forecast financial statements only provide a summary

This other information can be accessed at:

<http://www.treasury.govt.nz/budget/forecasts/befu2013>

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## Statement of Responsibility

On the basis of the economic and fiscal information available to it, the Treasury has used its best professional judgement in supplying the Minister of Finance with this Economic and Fiscal Update. The Update incorporates the fiscal and economic implications both of Government decisions and other circumstances as at 29 April 2013 that were communicated to me by the Minister of Finance in accordance with the requirements of the Public Finance Act 1989 and of other economic and fiscal information available to the Treasury as at 29 April 2013. This Update does not incorporate any decisions, circumstances, or statements that the Minister of Finance has determined, in accordance with the Public Finance Act 1989, should not be incorporated in this Update.



Gabriel Makhoul  
Secretary to the Treasury

6 May 2013

To enable the Treasury to prepare this Economic and Fiscal Update I have ensured the Secretary to the Treasury has been advised, in accordance with the requirements of the Public Finance Act 1989, of all Government decisions and other circumstances as at 29 April 2013 of which I was aware and that had material economic or fiscal implications.

I accept responsibility for the integrity of the disclosures contained in the Update and responsibility for the consistency and completeness of the Update information with the requirements of Fiscal Responsibility in the Public Finance Act 1989.



Hon Bill English  
Minister of Finance

6 May 2013

