

# The Treasury

## Budget 2013 Information Release

### Release Document

July 2013

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- [12] Not in scope
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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.

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**From:** [7]  
**Sent:** Friday, 8 February 2013 4:34 p.m.  
**To:** ^MOF: Andrew Craig  
**Cc:** Hayley Hamilton; Carolyn Palmer; Fiona Carter-Giddings; [7] Nic Blakeley  
**Subject:** Managing welfare reform across B2013/14 [6]  
[6]

Hi AC,

[6]

**Please note that we may not have the choice to put further funding into welfare reform at this point, given the projected shortfall in the Disability Allowance appropriation of \$147 million over four years:**

The DA pressure is in a BOUE appropriation, meaning there is no choice about funding it, and if savings from MSD aren't agreed the Crown incurs the cost. The DA pressure represents the largest proportion of MSD's unfunded cost pressures – MSD have unfunded pressures of \$260m in total, \$147m of which is for DA, \$65m for departmental cost pressures, and \$48m of other pressures.

**Recap on funding options to help meet cost pressures**

If the preference is to use B2014 to help boost the welfare reform package, we'll need to consider the following options to help meet DA and other pressures:

[6]

**Scaling Current Budget Bids**

We recommend looking closely at scaling:

- Support for carers (\$10m p.a.): This initiative provides additional targeted assistance to carers receiving Unsupported Child's Benefit and Orphan's Benefit. The intention of the policy is to help compensate carers for items covered by allowances available for children in state care.

[7]

MoF may wish to consider scaling it back, meaning that carers would receive less than currently envisaged.

It's possible the following initiatives could also be scaled, although we understand that Ministers have committed to them:

- Growing up in NZ Longitudinal Study (~\$3m p.a): PM committed.
- Confidential Listening Service (\$1m in 2013/14 and \$1m in 2014/15): agreement in principle from Ministers Ryal, Parata and Bennett.

[6]

Note that the following initiatives don't count as a pressure on the MSD shortfall, but could also be considered for scaling:

- Minister Turia's initiatives [6]
  - The Think Differently Campaign
  - Expansion of the E Tu Whanau programme of action
  - Promoting lifetime design in housing
  - Monitoring of disabled people of their rights
  - Enabling Good Lives demonstration

[6]

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Happy to discuss.

[7]

[7]

[3]

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