

# The Treasury

## Budget 2013 Information Release

### Release Document

July 2013

[www.treasury.govt.nz/publications/informationreleases/budget/2013](http://www.treasury.govt.nz/publications/informationreleases/budget/2013)

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] Not in scope
- [13] 7(b) - to prevent prejudice to relations between any of the Governments of New Zealand, the Cook Islands or Niue
- [14] 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.

---

**From:** [3]  
**Sent:** Friday, 22 March 2013 5:21 p.m.  
**To:** ^MOF: Andrew Craig  
**Cc:** Louise Lennard; Oliver Valins; [3]  
**Subject:** Additional information on the Vote Treaty Negotiations Budget Initiatives

Hi AC,

As discussed, some further information on what the additional departmental funding sought in Budget 2013 for Vote: Treaty Negotiations is intended to purchase.

### Reducing Baselines

OTS' departmental baselines will reduce at the end of the 2012/13 financial year. In Budget 2010 Ministers approved the following increases to OTS baselines:[6]

| 2010/11 | 2011/12 | 2012/13 |
|---------|---------|---------|
| \$3.4m  | \$1.8m  | \$1.3m  |

OTS baselines will also reduce as a result of the Ministry of Justice's efficiency savings. Without additional funding, OTS' capacity to negotiate and implement Treaty settlements will therefore reduce at the start of the 2013/14 financial year – in other words, the number of milestones achieved each year will reduce. There are also insufficient iwi at the mid stages of the settlement pipeline, so without additional funding, almost no deeds of settlement will be signed in 2014.

### More iwi in negotiations

OTS baselines will reduce at the same time as their workload has increased as a result of the government share offer (GSO). 80% of un-mandated iwi are now engaged in mandating discussions. While OTS received additional funding when the GSO decisions were taken, iwi take-up of the GSO on-accounts has been greater than anticipated.[9]

The GSO has also created opportunities to fast-track settlements with iwi who are willing and pragmatic like Ngāti Hauaa. Additional funding will allow any further fast tracked settlements to progress alongside other iwi in mandating discussions. Iwi are also keen to reach AIP faster as it allows them to purchase more shares.

Iwi expectations have also been raised by both the GSO and the pace of settlements in 2012.[10]

OTS with additional funding would permit those goals to be, allow the Government to maintain current settlement momentum and mean that OTS does not have to pause negotiations with any iwi. Providing

Pausing negotiations does not assist the Crown-Māori relationship [10]

### Recommendation

Ministers may wish scale this option when considering it alongside other priorities and there is certainly an option to do so, but given that an increase in departmental expenditure now is likely to reduce expenditure over the long term, we recommend providing the full amount of funding. Ministers could also elect to provide funding for the 2013/14 financial year only and reassess the need for additional funding in Budget 2014.

If you have any questions or need any further information, please let me know.

Regards,

[3]

---

CONFIDENTIALITY NOTICE

The information in this email is confidential to the Treasury, intended only for the addressee(s), and may also be legally privileged. If you are not an intended addressee:

- a. please immediately delete this email and notify the Treasury by return email or telephone (64 4 472 2733);
- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.