

The Treasury

Budget 2013 Information Release

Release Document

July 2013

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.



22 APR 2013

Copy No: 15

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 2013 Package: Vote ACC

Portfolio: ACC

On 15 April 2013, Cabinet:

- 1 **approved** the Budget initiative for the above Vote for inclusion in the 2013 Budget package, as listed in the summary below and detailed in the attached initiative document;

Summary of initiative included in the attached initiative document:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)					
		2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
7873	ACC Non-Earners' Account Appropriation for 2013/14	-	(67.936)	(46.575)	-	-	-
Total Operating		-	(67.936)	(46.575)	-	-	-

- 2 **approved** the changes to appropriations to implement the initiative, as set out in the attached initiative document;
- 3 **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 2012/13 Supplementary Estimates, the 2013/14 Estimates and the fiscal forecasts;
- 4 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and 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;
- 5 **noted** that all communications relating to the 2013 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;

6 **noted that:**

- 6.1 ACC's financial position has continued to improve as a result of increased investment returns, lower forecast costs and better than expected rehabilitation rates;
- 6.2 this has allowed ACC to lower its expected appropriation requirements for the next two years;

7 **noted that:**

- 7.1 due to a change in methodology and limited time, ACC's projections for outyears have not been able to be independently confirmed by the government's contracted actuaries;
- 7.2 this, combined with the government's intention to update the funding policy for the Non-Earners' Account, has meant that appropriations for 2015/16 and beyond have been left at the current flat rate;
- 7.3 these rates will need to be updated during 2014 once further information is available and the funding policy is updated.

Secretary of the Cabinet

Reference: CAB (13) 203

Vote: ACC

Title: ACC Non-Earners' Account Appropriation for 2013/14

Description: Adjustment of the ACC Non-Earners' Account Appropriation

Appropriation changes

	\$m - increase/(decrease)					
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	(67.936)	(46.575)	-	-	-
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
Total	-	(67.936)	(46.575)	-	-	-

	\$m - increase/(decrease)					
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Non-Departmental Output Expenses:						
Case Management and Supporting Services	-	47.579	42.522	48.600	58.597	69.669
Case Management and Supporting Services - Treatment Injuries for Non-Earners	-	2.296	15.811	9.612	17.747	26.343
Public Health Acute Services	-	(1.600)	(0.097)	0.513	0.286	16.061
Public Health Acute Services - Treatment Injuries for Non-Earners	-	0.001	(1.467)	(0.914)	(1.732)	(2.469)
Rehabilitation Entitlements and Services	-	(103.856)	(60.266)	(34.111)	(36.155)	(47.897)
Rehabilitation Entitlements and Services - Treatment Injuries for Non-Earners	-	(9.653)	(40.624)	(18.171)	(33.478)	(48.567)
Benefits and Other Unrequited Expenses:						
Compensation Entitlements	-	(2.281)	(15.649)	(15.002)	(22.728)	(37.833)
Compensation Entitlements - Treatment Injuries for Non-Earners	-	(0.422)	13.195	9.473	17.463	24.693
Total Operating	-	(67.936)	(46.575)	-	-	-
Total Capital	-	-	-	-	-	-