

The Treasury

Budget 2015 Information Release

Release Document July 2015

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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] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.
- [4] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [5] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [6] 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.
- [6a] 9(2)(ba)(ii) - to protect information, where the making available of the information would be likely otherwise to damage the public interest
- [7] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [8] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8a] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting the collective and individual ministerial responsibility
- [9] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [10] 9(2)(h) - to maintain legal professional privilege
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [12] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [13] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [14] Not in scope

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

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Chair
Cabinet

2015 BUDGET TECHNICAL FINANCIAL RECOMMENDATIONS

Proposal

1. This paper seeks approval of technical financial recommendations for Budget 2015.

Financial Recommendations for Budget 2015

2. For Budget 2015 Cabinet will consider financial recommendations in two tranches:
 - i. Technical financial recommendations which do not impact on the allowances or have significant policy considerations; and
 - ii. Significant financial recommendations for which new funding is being sought or there are significant policy considerations arising.
3. This paper presents the technical financial recommendations for Budget 2015 to be considered by Cabinet on 13 April. Cabinet will consider the significant financial recommendations on 20 April, following the final meeting of Budget Ministers on 13 April.
4. These technical recommendations impact the following Votes:
 - Arts, Culture and Heritage
 - Building and Housing (Vote Housing until end of 2014/15)
 - Business, Science and Innovation (Vote Economic Development and Employment, Vote Communications, Vote Commerce and Consumer Affairs Vote Science and Innovation and Vote Energy until end of 2014/15)
 - Conservation
 - Courts
 - Education
 - Environment
 - Finance
 - Foreign Affairs and Trade
 - Health
 - Immigration
 - Internal Affairs
 - Justice
 - Labour Market (Vote Labour until end of 2014/15)
 - Māori Development (Vote Māori Affairs until end of 2014/15)
 - Official Development Assistance
 - Parliamentary Service

- Primary Industries and Food Safety (Vote Primary Industries and Vote Food Safety until end of 2014/15)
- Prime Minister and Cabinet
- Revenue
- Science and Innovation
- Social Development (Vote Social Development and Vote Senior Citizens until end of 2014/15)
- State Services

5. The aggregate impact of these technical changes is:

| | \$m – increase/(decrease) | | | | | Net impact |
|--|---------------------------|-----------|----------|----------|--------------------|------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears | |
| <i>Operating balance impact</i> | (166.963) | 15.292 | (65.820) | (43.665) | (49.773) | (310.929) |
| <i>Debt impact</i> | 1.904 | (318.640) | 188.500 | 168.500 | 195.961 | 236.225 |

6. It is important to note that the table above reflects changes to appropriations rather than impact on the operating balance. The majority of these changes have already been accounted for in the fiscal forecasts.

Publicity

7. Budget Day is Thursday, 21 May 2015. The Office of the Minister of Finance coordinates all communications relating to Budget 2015, including requests for early announcements arising from Budget decisions. Written approval from the Prime Minister and myself is required for any early announcements.

Consultation

8. This paper was prepared by the Treasury. The technical budget financial recommendations are based on the Budget initiatives that were submitted by Responsible Ministers. All the financial recommendations attached are supported by the Treasury and respective departments.

Recommendations

9. I recommend that Cabinet:

- a. **agree** to the technical budget initiatives for Budget 2015 as set out in the financial recommendations accompanying this paper;
- b. **authorise** the Minister of Finance and relevant Responsible Ministers to approve changes to technical initiatives and appropriations where this proves necessary to finalise the 2015 Budget package;
- c. **note** that all communications relating to the 2015 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; and
- d. **agree** that until the Appropriation (2015/16) Estimates Bill is enacted, expenses or capital expenditure against appropriations set out in the 2015/16 Estimates and being sought in that Bill may be met from Imprest Supply.

Hon Bill English
Minister of Finance

Date: