

# The Treasury

## Budget 2016 Information Release

### Release Document July 2016

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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]	to prevent prejudice to the security or defence of New Zealand or the international relations of the government	6(a)
[4]	to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	6(c)
[11]	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.	6(e)(vi)
[23]	to protect the privacy of natural persons, including deceased people	9(2)(a)
[25]	to protect the commercial position of the person who supplied the information or who is the subject of the information	9(2)(b)(ii)
[26]	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	9(2)(ba)(i)
[27]	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - would be likely otherwise to damage the public interest	9(2)(ba)(ii)
[29]	to avoid prejudice to the substantial economic interests of New Zealand	9(2)(d)
[31]	to maintain the current constitutional conventions protecting collective and individual ministerial responsibility	9(2)(f)(ii)
[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
[34]	to maintain the effective conduct of public affairs through the free and frank expression of opinions	9(2)(g)(i)
[36]	to maintain legal professional privilege	9(2)(h)
[37]	to enable the Crown to carry out commercial activities without disadvantages or prejudice	9(2)(i)
[38]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
[39]	to prevent the disclosure of official information for improper gain or improper advantage	9(2)(k)
[s18(c)(i)]	that the making available of the information requested would be contrary to the provisions of a specified enactment	
[40]	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 [23] 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) and section 18 of the Official Information Act.



# Cabinet

## 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.*

### 2016 Budget Package: Vote Defence Force

On 25 April 2016 Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2016 Budget package, as listed in the summary below and detailed in the attached initiative documents;

#### Summary of initiatives included in the attached initiative documents:

##### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
9156	Viet Nam Veterans: Support for Travel to Commemorations and Battlefields	-	0.350	0.290	0.150	0.150
9152	Veteran Headstones and Plaques: Manufacture and Installation	-	0.420	0.397	0.375	0.355
9149	Defence Mid-Point Rebalancing Review – Funding Track	-	31.819	89.700	89.700	89.700
<b>Total Operating</b>		-	<b>32.589</b>	<b>90.387</b>	<b>90.225</b>	<b>90.205</b>

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 4 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2015/16 Supplementary Estimates, the 2016/17 Estimates and the fiscal forecasts;

- 5 **noted** that all communications relating to the 2016 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 **agreed** that:
- 6.1 the initiatives in the following tables be set aside as contingency items;
  - 6.2 corresponding funding for them be set aside as a tagged contingency;
  - 6.3 they be submitted to Cabinet for consideration at a later stage:

[33]

Michael Webster  
Secretary of the Cabinet

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## Initiative No: 9156

**Vote:** Defence Force

**Title:** Viet Nam Veterans: Support for Travel to Commemorations and Battlefields

**Description:** This funding will provide for increased demand for Veterans' travel assistance over the Viet Nam War 50th anniversary. This funding also addresses an ongoing increase in demand for travel assistance for Veterans.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Veteran Assistance to Attend Commemorations and Revisit Battlefields	Annual	Non-Departmental Other Expense	N/A	This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.

### Appropriation Changes

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	0.350	0.290	0.150	0.150
<b>Total</b>	-	<b>0.350</b>	<b>0.290</b>	<b>0.150</b>	<b>0.150</b>

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Non-Departmental Other Expense:</b>					
Veteran Assistance to Attend Commemorations and Revisit Battlefields	-	0.400	0.340	0.200	0.200
<b>Multi-Category Expenses and Capital Expenditure</b>					
Policy Advice And Other Services For Veterans MCA					
<b>Departmental Output Expense:</b>					
Administration Services (funded by revenue Crown)	-	(0.050)	(0.050)	(0.050)	(0.050)
<b>Total Operating</b>	-	<b>0.350</b>	<b>0.290</b>	<b>0.150</b>	<b>0.150</b>

## Initiative No: 9152

**Vote:** Defence Force

**Title:** Veteran Headstones and Plaques: Manufacture and Installation

**Description:** This funding provides for the legislative entitlement under the Veterans' Support Act 2014 for qualifying veterans, and their spouses or partners to be provided with a headstone or plaque.

### Appropriation Changes

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	0.420	0.397	0.375	0.355
No Impact	-	(0.477)	(0.477)	(0.477)	(0.477)
<b>Total</b>	-	<b>(0.057)</b>	<b>(0.080)</b>	<b>(0.102)</b>	<b>(0.122)</b>

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Benefits or Related Expense:</b>					
Veterans Support Entitlement	-	0.420	0.397	0.375	0.355
<b>Multi-Category Expenses and Capital Expenditure</b>					
Policy Advice And Other Services For Veterans MCA					
<b>Departmental Output Expense:</b>					
Services and Payments to Veterans (funded by revenue Other)	-	(0.477)	(0.477)	(0.477)	(0.477)
<b>Total Operating</b>	-	<b>(0.057)</b>	<b>(0.080)</b>	<b>(0.102)</b>	<b>(0.122)</b>

**Vote:** Defence Force

**Title:** Defence Mid-Point Rebalancing Review – Funding Track

**Description:** This funding provides for the continued implementation of the Defence Mid-Point Rebalancing Review. This review determined the set of capabilities required within the New Zealand Defence Force to enable the delivery of the Government's defence policy, as laid out in the Defence White Paper 2010.

### Appropriation Changes

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	31.819	89.700	89.700	89.700
<b>Total</b>	-	<b>31.819</b>	<b>89.700</b>	<b>89.700</b>	<b>89.700</b>

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Departmental Output Expenses:</b>					
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	10.637	29.987	29.987	29.987
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	12.786	36.045	36.045	36.045
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	5.136	14.476	14.476	14.476
<b>Multi-Category Expenses and Capital Expenditure</b>					
Policy Advice And Other Services For Veterans MCA					
<b>Departmental Output Expenses:</b>					
Administration Services (funded by revenue Crown)	-	0.017	0.049	0.049	0.049
Policy Advice (funded by revenue Crown)	-	0.001	0.004	0.004	0.004
Services and Payments to Veterans (funded by revenue Crown)	-	0.038	0.106	0.106	0.106

## Initiative No: 9149

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Advice to the Government MCA					
<b>Departmental Output Expenses:</b>					
Policy Advice (funded by revenue Crown)	-	0.022	0.063	0.063	0.063
Situational Awareness (funded by revenue Crown)	-	0.025	0.070	0.070	0.070
Supporting Ministers (funded by revenue Crown)	-	0.012	0.033	0.033	0.033
Operations Contributing to New Zealand's Security, Stability and Interests MCA					
<b>Departmental Output Expenses:</b>					
Military Operations in Support of a Rules-Based International Order (funded by revenue Crown)	-	0.247	0.695	0.695	0.695
Military Operations that Contribute to Regional Security (funded by revenue Crown)	-	0.003	0.009	0.009	0.009
Protection of New Zealand and New Zealanders MCA					
<b>Departmental Output Expenses:</b>					
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations (funded by revenue Crown)	-	0.438	1.236	1.236	1.236
Defence International Engagement (funded by revenue Crown)	-	0.617	1.740	1.740	1.740
Defence Support to the Community (funded by revenue Crown)	-	0.303	0.855	0.855	0.855
Military Assistance to Civil Authorities in Non-Emergency Situations (funded by revenue Crown)	-	0.212	0.596	0.596	0.596
Resource and Border Protection Operations (funded by revenue Crown)	-	1.325	3.736	3.736	3.736
<b>Total Operating</b>	-	<b>31.819</b>	<b>89.700</b>	<b>89.700</b>	<b>89.700</b>