

The Treasury

Budget 2017 Information Release

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[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)
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[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)
[40]	Not in scope	

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.



Reference: T2017/750

BM-2-1-2017

Date: 24 March 2017

To: Minister of Finance (Hon Steven Joyce)

Deadline: None
(if any)

Aide Memoire: Budget 2017 Initiatives for Vote Arts, Culture and Heritage

This aide memoire responds to your request at the *Budget 2017 Update meeting* on 23 March for advice on the initiatives for Vote Arts, Culture and Heritage.

Arts, Culture and Heritage Initiatives

Nine Arts, Culture and Heritage initiatives have been submitted for consideration in Budget 2017. These total [33] per annum in operating expenditure.

The Treasury vote team recommends that:

- [33] initiatives be supported in part, at a total of [33] per annum over four years (out of a total \$28.459 million per annum bid for)
- [33] initiative be deferred until Budget 2018 (total [33] per annum), and
- [33] initiatives not be supported (total [33] per annum).

Initiatives that the Treasury vote team recommends be supported in part

Radio New Zealand Strategy Enhancement 2016/17 (9703)

\$ million	2017/18	2018/19	2019/20	2020/21	4YT	Avg.
Department sought	[33]					
Treasury vote team recommended	2.840	2.840	2.840	2.840	11.360	2.840

Department description: Funding is to increase RNZ's audience reach and public service performance by offering more diverse content targeting sectors of the population not a priority for mainstream media; see through RNZ's transformation into a more efficient and effective operation with new modern technology and improved capability; and, with so many risks looming on the horizon due to changes in the media landscape, ensure NZ retains a strong vibrant relevant public broadcaster.

The Treasury vote team considers that this initiative presents a reasonable case for additional investment. RNZ is a non-commercial, taxpayer-funded operation. In the absence of any baseline increases in nearly a decade and having in the interim captured available savings opportunities, RNZ has now reached the point where in the absence of additional funding it is at risk of service delivery failure.

We assess that a funding increase of \$2.840 million per annum will be sufficient to enable RNZ to meet its strategic objectives (e.g. in terms of audience reach and content outcomes) and statutory obligations (including its lifeline utility designation under the CDEM Act 2002). [33]

[33]

Pukeahu – Meeting Increased Expectations (9629)

\$ million	2017/18	2018/19	2019/20	2020/21	4YT	Avg.
Department sought	[33]					
Treasury vote team recommended	1.200	1.200	1.200	1.200	4.800	1.200
<i>Department description:</i> Funding to enable the Ministry to: operationalise Pukeahu National War Memorial Park and the Queen Elizabeth II Pukeahu Education Centre effectively; and undertake associated activities in relation to new memorials, commemorative events and taonga tuturu.						

The Treasury vote team considers that this initiative presents a reasonable case for additional investment. The Ministry of Arts, Culture and Heritage (MCH) is responsible for managing Crown assets and undertaking legislatively mandated activities (e.g. maintaining memorials and war graves, including the new Memorial Park, and taonga tuturu – conserving newly-found Maori objects) for which it receives insufficient funding. There is no realistic opportunity for MCH to manage these cost pressures through reprioritisation, given significant competing other pressures within Vote Arts, Culture and Heritage.

We assess that a funding increase of \$1.2 million per annum will be sufficient to provide for the most pressing and non-discretionary activities included in the bid, including more timely taonga tuturu activity, appropriate care of memorials and war graves, and enhanced services to visitors at the new Memorial Park (to date these have been practically non-existent due to lack of funding for this purpose).

Initiatives that the Treasury vote team recommends be deferred

New Zealand Screen Production Grant – New Zealand: Additional Funding (9635)

\$ million	2017/18	2018/19	2019/20	2020/21	4YT	Avg.
Department sought	[33]					
Treasury vote team recommended	-	-	-	-	-	-
<i>Department description:</i> Funding to supplement the appropriation for the NZSPG – New Zealand programme, to cover all of the productions forecast to be made before the current five-year multi-year appropriation ends in 2018/19.						

An associated bid for new funding for the *New Zealand Screen Production Grant – International programme* has been submitted by the Minister for Economic Development as part of the BGA package. The Treasury vote team is recommending that bid be supported.

The Treasury vote team recommends the *New Zealand programme* should be deferred for the following reasons:

- [33]

- The Film Commission can ration available funding against demand. As at February 2017 (32 months into the 60-month appropriation), spending against the available \$83 million totals \$24 million, leaving \$59 million (71 percent) remaining. [33]

- [33]

Initiatives that the Treasury vote team recommends not be supported

The Treasury vote team has assessed all of the initiatives in this section as discretionary and relatively low-priority. Further, there may be alternative funding opportunities available for the last three items from sources such as community and lottery grants.

[33]

First Encounters 250 (9630)

\$ million	2017/18	2018/19	2019/20	2020/21	4YT	Avg.
Department sought	3.034	1.534	0.432	-	5.000	1.250
Treasury vote team	-	-	-	-	-	-
<i>Department description:</i> Funding to enable the development and delivery of the national 250th commemoration of the first on-shore meetings of Maori and Europeans when James Cook's HMS Endeavour first circumnavigated and landed in New Zealand in 1769.						

[33]

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