

# The Treasury

## Budget 2017 Information Release

### Release Document July 2017

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[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.

From: [34]  
 To: "David Kidson"  
 Cc: Kristie Carter [TSY]; [34]  
 Subject: RE: FW: Budget meeting - Wednesday [IN-CONFIDENCE]  
 Date: Thursday, 23 March 2017 8:08:00 a.m.

Lastly –

I had overlooked that the immigration compliance function did receive \$1m per annum (9-10 FTEs) through the 2015 Fee and Levy Review.

This will be reflected in the paper Sebastian is providing for Finance Ministers.

Cheers,

[34]

[34] Analyst | Labour Market & Welfare | **The Treasury - Kaitohutohu Kaupapa Rawa**  
 [34]

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From: [34]

Wednesday, 22 March 2017 3:10 p.m.

To: 'David Kidson' <David.Kidson@parliament.govt.nz>

Cc: [34]

>: Kristie Carter [TSY] <Kristie.Carter@treasury.govt.nz>; [34]

RE: FW: Budget meeting - Wednesday [IN-CONFIDENCE]

Sorry,

Just to clarify – the Budget 2015 Employment Relations initiative was for \$8m funding per annum, not \$8.8m.

Cheers

[34] Analyst | Labour Market & Welfare | **The Treasury - Kaitohutohu Kaupapa Rawa**  
 [39]

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From: [34]

Wednesday, 22 March 2017 2:06 p.m.

To: 'David Kidson' <David.Kidson@parliament.govt.nz>

Cc: [34]

Kristie Carter [TSY] <Kristie.Carter@treasury.govt.nz>; [34]

Subject: RE: FW: Budget meeting - Wednesday [IN-CONFIDENCE]

Thanks David

The intention is for levy bids to be decided through the Budget process. They have received less attention so far, given the fiscal management approach of fiscally-neutral treatment over time. I expect that the topic of levy-funded bids will be specifically raised with Budget Ministers shortly – either through Fiscal Issues or the next Budget Ministers meeting.

In terms of the two bids, here is a “simple” table. The mix of numbers gets a bit tricky. Let me know if you want to see it year by year.

Initiative	Budget funding received in last two years	Existing funding and FTE levels	Change to package if included	Proposed new funding and FTE level
[33]				
Maintaining Employment Relations & Standards Service Delivery	\$8 million per annum which flowed through to both Resolution services and the Labour Inspectorate.	\$24.1 million per annum, made up of the following: <ul style="list-style-type: none"> <li>Labour inspectorate <b>\$15.3 million per annum on 90 FTEs</b> (including 12.5 FTEs involved in the Payroll initiative for \$1.7 million)</li> <li>Mediation services <b>\$4.8 million per annum on 22.3 FTE mediators and 13 FTE case coordinators</b> (including \$1.8 million operating costs)</li> <li>Employment Relations Authority <b>\$3.98 million per annum for 17 Authority members</b> (plus overheads)</li> </ul>	<b>+\$2.175 million per annum on average</b> (OR +\$8.700 million over four years)	<b>\$26.950 million per annum at its greatest</b> in 2018/19, made up of the following: <ul style="list-style-type: none"> <li><b>Labour inspectorate</b> \$16.150 million per annum on 96.25 FTEs (including 6.25 FTEs involved in the Payroll initiative for \$0.850 million) <i>This represents a 6 per cent increase in funding in 2018/19, and a 7 per cent increase in FTEs.</i></li> <li><b>Mediation services</b> \$5.930 million per annum on 26.3 FTE mediators and 14 FTE case coordinators (including \$1.8 million operating costs). <i>This represents a 24 per cent increase in funding in 2018/19, and a 20 per cent increase in FTEs.</i></li> <li><b>Employment Relations Authority</b> \$4.98 million per annum for 20 Authority members (plus</li> </ul>

				overheads) This represents a 25 per cent increase in funding in 2018/19, and an 18 per cent increase in FTEs.  <b>Note:</b> total funding decreases down to \$25.1 million by 2020/21
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Please note that, despite what was included in the follow-up actions, [these are not levy-funded initiatives](#).

I have also corrected a cost (highlighted) in the initiative summary below.

It is also worth noting that I am responding to [33] other questions separately (will Cc you in).

Cheers,

[34]

[34] Analyst | Labour Market & Welfare | **The Treasury - Kaitohutohu Kaupapa Rawa**  
[39] | [34]

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**From:** David Kidson [<mailto:David.Kidson@parliament.govt.nz>]

**Sent:** Wednesday, 22 March 2017 11:45 a.m.

**To:** [34]

**Cc:** [redacted], Kristie Carter [TSY] <[Kristie.Carter@treasury.govt.nz](mailto:Kristie.Carter@treasury.govt.nz)>

**Subject:** RE: FW: Budget meeting - Wednesday [IN-CONFIDENCE]

Thanks [34]

A couple of follow up questions:

- When are decisions on levy bids made? Through the budget process or separately?
- The actions that I sent around last week (table below) talked about following up on how much MBIE functions have increased in recent budgets. Do we have that info? Can we also in a simple table how much of an increase the bids are, above the status quo? I think that's what Ministers were looking to understand.

**BGA follow up actions**

Initiative	Change to package	Avg. \$m impact p.a.	Actions for Treasury
[34]			Treasury to follow up with MBIE on how many FTEs (e.g. Immigration investigators) are currently employed, and how much funding was provided last year
Maintaining Employment Relations & Standards Service Delivery	-  Levy funded initiative	0	

Cheers,

**David Kidson | Economic Advisor**

Office of Hon Steven Joyce | Minister of Finance | Minister for Infrastructure  
7.2 Beehive, Parliament Buildings, PO Box 18041, Wellington 6160, New Zealand

[34] [23] | [39] | E: [david.kidson@parliament.govt.nz](mailto:david.kidson@parliament.govt.nz)

[40]



