

# The Treasury

## Budget 2017 Information Release

### Release Document July 2017

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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.



# 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.*

### Budget 2017: Vote Finance

On 18 April 2017, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2017 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)					
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
9726	Treasury Presence Offshore: Singapore	-	0.854	0.854	0.854	0.854	0.854
9586	Board of Guardians of New Zealand Superannuation – Funding to maintain governance	-	0.200	0.200	0.200	0.200	0.200
9583	Stockton Acid Mine Drainage Rehabilitation Project	-	2.400	1.100	1.000	0.300	-
<b>Total Operating</b>		-	<b>3.454</b>	<b>2.154</b>	<b>2.054</b>	<b>1.354</b>	<b>1.054</b>

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 4 **authorised** the Associate Minister of Finance (Hon Simon Bridges) and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2016/17 Supplementary Estimates, the 2017/18 Estimates and the fiscal forecasts;
- 5 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or 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;
- 6 **noted** that all communications relating to the 2017 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;

- 7 **agreed** that the initiative in the following table be set aside as a contingency item, and that corresponding funding for it be set aside in a tagged contingency;

**Operating Contingency**

Initiative Name	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears

[33]

<b>Total Operating</b>
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**Capital Contingency**

Initiative Name	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears

[33]

<b>Total Capital</b>
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**Additional Recommendations**

8 [33]

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Michael Webster  
Secretary of the Cabinet

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**Hard-copy distribution:**

Prime Minister  
Minister of Finance

**Vote:** Finance

**Title:** Treasury Presence Offshore: Singapore

**Description:** This funding will reduce economic risk by strengthening ties with key markets. It will also inform economic strategy through better economic intelligence and support innovation in public services.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	0.854	0.854	0.854	0.854
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.854</b>	<b>0.854</b>	<b>0.854</b>	<b>0.854</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Departmental Output Expense:</b>					
Policy Advice - Finance (funded by revenue Crown)	-	0.854	0.854	0.854	0.854
<b>Total Operating</b>	-	<b>0.854</b>	<b>0.854</b>	<b>0.854</b>	<b>0.854</b>

### Additional Recommendation

15 **noted** that this initiative will result in one new Treasury position being established in Singapore, with additional support from the Treasury's Wellington staff to deliver on the objectives of the role;

- Vote:** Finance
- Title:** Board of Guardians of New Zealand Superannuation – Funding to maintain governance
- Description:** The funding will address increases in the costs incurred by the Board of Guardians of New Zealand Superannuation. These relate primarily to increases in Board fees and Board travel costs.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	0.200	0.200	0.200	0.200
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Non-Departmental Output Expense:</b>					
Management of the New Zealand Superannuation Fund	-	0.200	0.200	0.200	0.200
<b>Total Operating</b>	-	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>

**Vote:** Finance

**Title:** Stockton Acid Mine Drainage Rehabilitation Project

**Description:** This funding will procure a long term solution to manage the Crown's Acid Mine Drainage rehabilitation liability at Stockton mine. Funding is required to undertake a competitive procurement process to identify the optimal solution to manage the liability.

#### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	2.400	1.100	1.000	0.300	-
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
<b>Total</b>	-	<b>2.400</b>	<b>1.100</b>	<b>1.000</b>	<b>0.300</b>	-

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Departmental Output Expense:</b>						
Policy Advice - Finance (funded by revenue Crown)	-	2.400	1.100	1.000	0.300	-
<b>Total Operating</b>	-	<b>2.400</b>	<b>1.100</b>	<b>1.000</b>	<b>0.300</b>	-

#### Additional Recommendations

- 16 **invited** the Minister of Finance to report back to Cabinet annually on progress in seeking to procure a long-term solution to manage the Crown's Acid Mine Drainage liability at Stockton mine;
- 17 **agreed** that Cabinet approval be sought to implement the recommended solution, once determined, to manage the Crown's Acid Mine Drainage liability at Stockton mine.