

The Treasury

Budget 2011 Information Release

Release Document

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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] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [3] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 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
- [10] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

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, an [8] appearing where information has been withheld in a release document refers to section 9(2)(h).

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

Hon Kate Wilkinson
Parliament Buildings
WELLINGTON

Dear Kate

In early December you forwarded to me the Four-year Budget Plans from the agencies listed below as part of the preparation of Budget 2011:

- Ministry of Agriculture and Forestry (Vote Food Safety);
- Department of Conservation (Vote Conservation); and
- Department of Labour (Vote Labour).

Budget Ministers met to discuss the Four-year Budget Plans on Wednesday 15 December. At that meeting, Budget Ministers agreed to accept the Plans for Votes Conservation and Food Safety as submitted.

Vote Labour

Budget Ministers also agreed that the Four Year Budget Plan for Vote Labour should be resubmitted by 10 February 2011 to more fully consider the following topics.

- Detail about the activities that will be reduced to fund priorities and pressures, including additional information on what the cost reductions involve and the impact of those reductions on the quality and level of service provision within Vote Labour.

- [2]

- The impact of disestablishing the Employment Relations Education Contestable Fund and detail about how this funding will be reprioritised.

If more information is known about the costs of the Pike River Mine Investigation before 10 February 2011 I would invite you to include this information in the Budget Plan.

I note that the Department of Labour is looking to develop and implement a new service delivery model, but that anticipated cost savings cannot yet be quantified. I look forward to hearing more about the new model in due course, and in particular understanding how the size and quality of the service functions will be affected by these changes. I also acknowledge that the Department is looking to develop a long-term funding model which explores the possibility of alternative revenue sources. I note that it will be important for the Department to fully consider whether there are Crown funded programmes that are low-value that could be re-prioritised before external funding is sought.

Your departments should submit financial recommendations in March to give effect to any agreed changes in appropriations. Following that, estimates documents will be due in April. Treasury will publish further Budget guidance, including the timetable, shortly.

Yours sincerely

Hon Bill English
Minister of Finance