

The Treasury

Budget 2011 Information Release

Release Document

June 2011

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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.



Cabinet

CAB Min (11) 15/14(5)

Copy No:

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 2011: Vote Communications

On 11 April 2011, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2011 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)

		\$m - increase/(decrease)				
Initiative ID	Initiative Name	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6709	Broadband and Cybersecurity Fiscal Pressures	-	0.848	0.848	0.848	0.848
Total Operating		-	0.848	0.848	0.848	0.848

Capital Initiatives (Impact on Debt)

		\$m - increase/(decrease)				
Initiative ID	Initiative Name	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6710	Fibre Drop Costs for Schools	-	10.360	7.970	5.290	4.530
6722	Crown Fibre Holdings – Ultra-Fast Broadband	-	242.000	300.000	200.000	200.000
Total Capital		-	252.360	307.970	205.290	204.530

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;

- 4 **agreed** that the changes to appropriations and/or projected balances of net assets for 2010/11 above be included in the 2010/11 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2010/11 Supplementary Estimates, the 2011/12 Estimates and the fiscal forecasts;
- 6 **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; and
- 7 **noted** that all communications relating to the 2011 Budget are coordinated 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.

Secretary of the Cabinet

Reference: CAB (11) 187; CAB (11) 190

Initiative No: 6709**Vote:** Communications**Title:** Broadband and Cybersecurity Fiscal Pressures**Description:** Ongoing fiscal pressures within the policy advice appropriation related to Rural and Ultra-Fast Broadband initiatives and new cybersecurity work, eased by a transfer of infrastructure-related funding currently residing within Vote Economic Development.**Appropriation Changes**

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.848	0.848	0.848	0.848
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.848	0.848	0.848	0.848

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Policy Advice - Communications (funded by revenue Crown)	-	0.848	0.848	0.848	0.848
Total Operating	-	0.848	0.848	0.848	0.848
Total Capital	-	-	-	-	-

Initiative No: 6710**Vote:** Communications**Title:** Fibre Drop Costs for Schools**Description:** Capital funding to centrally support fibre drop costs for schools, out of the remaining \$67.690 million not yet appropriated from the signalled \$150 million commitment to make schools broadband ready.**Appropriation Changes**

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	10.360	7.970	5.290	4.530
No Impact	-	-	-	-	-
Total	-	10.360	7.970	5.290	4.530

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Capital Expenditure:					
Broadband Investment (Schools)	-	10.360	7.970	5.290	4.530
Total Operating	-	-	-	-	-
Total Capital	-	10.360	7.970	5.290	4.530

Initiative No: 6722**Vote:** Communications**Title:** Crown Fibre Holdings - Ultra-Fast Broadband**Description:** Final tranche of funding to be appropriated from the \$1.5 billion manifesto commitment for broadband investment; to go to the Crown-owned company Crown Fibre Holdings (CFH) for the purpose of CFH carrying out the Government's tender for the Ultra-Fast Broadband initiative.**Appropriation Changes**

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	242.000	300.000	200.000	200.000
No Impact	-	-	-	-	-
Total	-	242.000	300.000	200.000	200.000

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Capital Expenditure:					
Broadband Investment (Crown Company Capital Costs)	-	242.000	300.000	200.000	200.000
Total Operating	-	-	-	-	-
Total Capital	-	242.000	300.000	200.000	200.000