

The Treasury

Budget 2011 Information Release

Release Document

June 2011

www.treasury.govt.nz/publications/informationreleases/budget/2011

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(35)

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 Science and Innovation

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)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6981	Increase in Net Assets for Ministry of Science and Innovation	(3.000)	(0.500)	-	-	-
7001	Crown Research Institute Core Funding	-	-	-	-	-
7002	Business R&D and Commercialisation	(5.449)	2.349	2.100	(1.200)	2.200
7003	Response to Christchurch Earthquake	-	-	-	-	-
7010	Prime Minister's Science Advisory Committee	-	(0.625)	(0.625)	-	-
Total Operating		(8.449)	1.224	1.475	(1.200)	2.200

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6981	Increase in Net Assets for Ministry of Science and Innovation	3.000	0.500	-	-	-
Total Capital		3.000	0.500	-	-	-

- 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;
- 7 **noted** that all communications relating to the 2011 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.

Secretary of the Cabinet

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

Vote: Science and Innovation

Title: Increase in Net Assets for Ministry of Science and Innovation

Description: An increase to the Net Assets position of Ministry of Science and Innovation by equity injection, funded through reduction to departmental funding. Provision for this injection was made within the \$6.90 million agreed for transition costs related to the establishment of the Ministry of Science and Innovation.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	(3.000)	(0.500)	-	-	-
Debt Impact	3.000	0.500	-	-	-
No Impact	-	-	-	-	-
Total	-	-	-	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Advice and Support on Shaping the Science and Innovation System (Multi-class Output Appropriation (MCOA))					
Strategic Leadership in the Science and Innovation Sector (funded by revenue Crown)	(3.000)	(0.500)	-	-	-
Net Asset Schedule of the Ministry of Science and Innovation:					
Capital Investment	3.000	0.500	-	-	-
Total Operating	(3.000)	(0.500)	-	-	-
Total Capital	3.000	0.500	-	-	-

Initiative No: 7001

Vote: Science and Innovation

Title: Crown Research Institute Core Funding

Description: This initiative aligns existing long-term committed funds to areas of science of significant national importance, and to create and maintain capability that is critical to a Crown Research Institute's core purpose and strategy.

New Appropriation Approval

Type	Period	Name	Multi-class Output Appropriation	Scope
Non-Departmental Output Expense	Annual	Crown Research Institute Core Funding	N/A	This appropriation is limited to Crown Research Institutes to create and maintain capability that is required for their core purpose and strategy.

Appropriation Changes

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

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Output Expenses:					
Biological Industries Research	-	(65.788)	(65.788)	(65.788)	(65.788)
Crown Research Institute Core Funding	-	215.145	215.145	215.145	215.145
Energy and Minerals Research	-	(9.706)	(9.706)	(9.706)	(9.706)
Environmental Research	-	(38.324)	(38.324)	(38.324)	(38.324)
Hazards and Infrastructure Research	-	(12.754)	(12.754)	(12.754)	(12.754)
High Value Manufacturing and Services Research	-	(10.342)	(10.342)	(10.342)	(10.342)

Initiative No: 7001

Non-Departmental Other Expenses:					
CRI Capability Fund	-	(60.612)	(60.612)	(60.612)	(60.612)
Science Collections and Infrastructure	-	(17.619)	(17.619)	(17.619)	(17.619)
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 7002

Vote: Science and Innovation

Title: Business R&D and Commercialisation

Description: Increased funding for initiatives that support business research and development.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15
Operating Balance Impact	(5.449)	2.349	2.100	(1.200)	2.200
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(5.449)	2.349	2.100	(1.200)	2.200

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15
Non-Departmental Output Expenses:					
Biological Industries Research	(1.118)	(0.387)	(0.400)	(1.700)	(1.700)
Energy and Minerals Research	(0.846)	(0.024)	-	-	-
Environmental Research	(1.149)	(0.242)	-	-	-
Fellowships for Excellence	(0.500)	(2.500)	(2.000)	(3.000)	-
Health and Society Research	(0.471)	(0.268)	(1.100)	(2.100)	(2.100)
High Value Manufacturing and Services Research	(1.365)	6.000	6.000	6.000	6.000
Non-Departmental Other Expense:					
International Relationships	-	(0.230)	(0.400)	(0.400)	-
Total Operating	(5.449)	2.349	2.100	(1.200)	2.200
Total Capital	-	-	-	-	-

Initiative No: 7003

Vote: Science and Innovation

Title: Response to Christchurch Earthquake

Description: Increased hazards research arising from seismic activity in Canterbury.

Appropriation Changes

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

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15
Non-Departmental Output Expenses:					
Biological Industries Research	(2.000)	(2.000)	(1.000)	(3.000)	(3.000)
Fellowships for Excellence	-	(1.000)	(2.000)	-	-
Hazards and Infrastructure Research	2.000	3.000	3.000	3.000	3.000
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 7010

Vote: Research, Science and Technology

Title: Prime Minister's Science Advisory Committee

Description: A transfer of funds to Vote Prime Minister and Cabinet to cover the activity of the Prime Minister's Science Advisory Committee for the next two years.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	(0.625)	(0.625)	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(0.625)	(0.625)	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Non-Departmental Output Expenses:					
Engaging New Zealanders with Science and Technology	-	(0.625)	(0.625)	-	-
Total Operating	-	(0.625)	(0.625)	-	-
Total Capital	-	-	-	-	-