

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.

**OFFICE OF THE ACTING
MINISTER FOR ECONOMIC DEVELOPMENT**

The Chair
CABINET

**FUNDING OF THE GOVERNMENT CONTRIBUTION TO THE WEST COAST
ECONOMIC SUPPORT PACKAGE**

PROPOSAL

- 1 On Monday 18 April 2011, the Prime Minister proposes to announce an economic support package for the West Coast in the aftermath of the Pike River Mine tragedy, with a government contribution of \$3.5 million to the construction of a \$5.0 million events centre in Greymouth. The remainder will be funded by the West Coast.
- 2 To fund this contribution, this paper seeks Cabinet's agreement to the transfer, in fiscal year 2011/12 and within Vote Economic Development, of \$3.5 million (GST exclusive) from the Transformational Initiatives (TI) Fund multi year appropriation to the Regional and Industry Development Fund annual appropriation. This transfer is fiscally neutral.

COMMENT

- 3 Ministers and officials have been meeting representatives of the Grey District Council and Development West Coast since mid-December 2010 to discuss the options for creating short and long term employment opportunities in the wake of the Pike River Mine tragedy.
- 4 The West Coast Miners Memorial Events Centre was chosen as the option likely to provide the best employment outcomes and benefits for the contracting firms affected by the mine closure. The government's contribution will enable the creation of a significant long term community asset for the Grey district and for the whole of the West Coast. The construction phase itself will provide opportunities for local businesses and help fill the gap as the community adjusts to the loss of the mine and new opportunities begin to emerge.
- 5 This proposal requires a waiver of the moratorium on new spending proposals in the lead up to Budget 2011. The Associate Minister of Finance (Hon Simon Power) has accepted this breach because this expenditure relates to the Pike River disaster and requires urgent announcement.

CONSULTATION

6 The Treasury has been consulted on this paper. The Department of the Prime Minister and Cabinet has been informed.

HUMAN RIGHTS

7 This paper has no human rights implications

LEGISLATIVE IMPLICATIONS

8 The paper has no legislative implications.

REGULATORY IMPACT ANALYSIS

9 This paper has no regulatory implications and does not require a Regulatory Impact Statement.

PUBLICITY

10 Subject to Cabinet agreement the Prime Minister proposes to announce the government's contribution to the economic support package for the West Coast on Monday, 18 April 2011.

RECOMMENDATIONS

11 It is recommended that the Committee:

- 1 **Agree** to an economic support package for the West Coast in the aftermath of the Pike River Mine tragedy, with a government contribution of \$3.5 million to the construction of a \$5.0 million events centre in Greymouth. The remainder will be funded by the West Coast.
- 2 **Note** that the Prime Minister proposes to announce this economic package on Monday 18 April 2011.
- 3 **Note** that this increase in expenditure breaches the pre-budget moratorium on new spending decisions.
- 4 **Note** that the Associate Minister of Finance (Hon Simon Power) has accepted this breach because this expenditure relates to the Pike River disaster and requires urgent announcement.

- 5 **Approve** the following fiscally neutral adjustment to appropriations for the West Coast Miners Memorial Events Centre in Greymouth, with no impact on the Government's operating balance:

Vote Economic Development Minister for Economic Development	\$m – increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15& Outyears
Non-Departmental Other Expenses:					
Transformational Initiatives Fund - MYA		(3.500)		-	-
Regional and Industry Development Fund	-	3.500	-	-	-

Hon David Carter
Acting Minister for Economic Development

Date signed: _____