

# The Treasury

## Budget 2018 Information Release

### Release Document August 2018

<https://treasury.govt.nz/publications/information-release/budget-2018-information-release>

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]	to prevent prejudice to the security or defence of New Zealand or the international relations of the government	6(a)
[2]	to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government	6(b)(i)
[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)
[23]	to protect the privacy of natural persons, including deceased people	9(2)(a)
[25]	to protect the commercial position of the person who supplied the information or who is the subject of the information	9(2)(b)(ii)
[26]	to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	9(2)(ba)(i)
[27]	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - would be likely otherwise to damage the public interest	9(2)(ba)(ii)
[29]	to avoid prejudice to the substantial economic interests of New Zealand	9(2)(d)
[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	
[41]	that the making available of the information requested would be contrary to the provisions of a specified enactment	18(c)(i)
[42]	information is already publicly available or will be publicly available soon	18(d)

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.



## 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.*

### 2018 Budget Package: Vote Prime Minister and Cabinet

On 9 April 2018, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2018 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)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10286	Child Poverty Unit	-	1.873	1.946	2.022	2.101
10597	Inquiry into EQC	0.808	2.430	-	-	-
10160	Kaikoura Recovery from the November 2016 Earthquake - Additional Crown Support	-	1.700	0.800	-	-
<b>Total Operating</b>		<b>0.808</b>	<b>6.003</b>	<b>2.746</b>	<b>2.022</b>	<b>2.101</b>

##### Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10286	Child Poverty Unit	-	-	-	-	-
10597	Inquiry into EQC	0.100	-	-	-	-
10160	Kaikoura Recovery from the November 2016 Earthquake - Additional Crown Support	-	-	-	-	-
<b>Total Capital</b>		<b>0.100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** changes to appropriations and the capital injection to the administering

department to implement the initiatives, as set out in the attached initiative documents;

- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 5 **agreed** that the proposed changes to appropriations and capital injection for 2017/18 above be included in the 2017/18 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 6 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2017/18 Supplementary Estimates, the 2018/19 Estimates and the fiscal forecasts;
- 7 **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;
- 8 **noted** that all communications relating to the 2018 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.

Michael Webster  
Secretary of the Cabinet

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**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Minister of Finance  
Minister Responsible for the Earthquake Commission  
Minister of Civil Defence

**Vote:** Prime Minister and Cabinet

**Title:** Child Poverty Unit

**Description:** This funding will provide for the establishment and operation of a Child Poverty Unit to implement the requirements set out in the Child Poverty Reduction Act.

### New Category in Multi-Category Appropriation Approval

Name	Period	Type	Category Name	Scope
Policy Advice and Support Services	Annual	Multi-Category Expenses and Capital Expenditure	Policy Advice – Child Poverty Reduction	This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to child poverty reduction.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	1.873	1.946	2.022	2.101
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.873</b>	<b>1.946</b>	<b>2.022</b>	<b>2.101</b>

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice and Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Policy Advice – Child Poverty Reduction (funded by revenue Crown)	-	1.873	1.946	2.022	2.101
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Support Services (MCA)	-	1.873	1.946	2.022	2.101
<b>Total Operating</b>	<b>-</b>	<b>1.873</b>	<b>1.946</b>	<b>2.022</b>	<b>2.101</b>

**Vote:** Prime Minister and Cabinet

**Title:** Inquiry into EQC

**Description:** This funding will resource the proposed Inquiry into the Earthquake Commission (EQC).

### New appropriation approvals

Name	Period	Type	Category Name	Scope
Inquiry into EQC	Annual	Non-Departmental Other Expenses	N/A	This appropriation is limited to the payment of fees and expenses for the Inquiry into EQC.
Support for Inquiry into EQC	Annual	Departmental Output Expenses	N/A	This appropriation is limited to supporting the Inquiry into EQC.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	0.808	2.430	-	-	-
Debt Impact	0.100	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>0.908</b>	<b>2.430</b>	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Departmental Output Expense:</b>					
Support for Inquiry into EQC (funded by revenue Crown)	0.592	1.782	-	-	-
<b>Capital Injections:</b>					
Department of the Prime Minister and Cabinet - Capital Injection	0.100	-	-	-	-
<b>Non-Departmental Other Expense:</b>					
Inquiry into EQC	0.216	0.648	-	-	-
<b>Total Operating</b>	<b>0.808</b>	<b>2.430</b>	-	-	-
<b>Total Capital</b>	<b>0.100</b>	-	-	-	-

**Additional recommendations**

9 **agreed** that the Minister Responsible for the Earthquake Commission be the Appropriation Minister for both of the above new appropriations;

**Initiative No: 10597**

10 **noted** that it is intended that the Inquiry commence before 30 June 2018, but there is risk of delay;

11 **agreed** that any unspent funding for 2017/18 be transferred to 2018/19;

12 **authorised** the Minister of Finance and the Appropriation Minister jointly to approve the final amount to be transferred following completion of the 2017/18 audited financial statements;

**Vote:** Prime Minister and Cabinet

**Title:** Kaikoura Recovery from the November 2016 Earthquake - Additional Crown Support

**Description:** This funding will provide additional Crown support to address Kaikoura District Council's earthquake recovery funding shortfalls for repairs to three waters assets and the harbour.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	1.700	0.800	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.700</b>	<b>0.800</b>	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Non-Departmental Other Expenses:</b>					
Rehabilitation of Kaikoura Harbour	-	0.300	-	-	-
Contributions to Local Authorities Following an Emergency Event	-	1.400	0.800	-	-
<b>Total Operating</b>	-	<b>1.700</b>	<b>0.800</b>	-	-

### Additional recommendation

13 **noted** that there is additional funding for this initiative totalling \$2.8 million over 2018/19 – 2019/20 in Vote Internal Affairs (Initiative 10634).