

# The Treasury and Office of the Minister of Finance

## Budget 2019 Information Release August 2019

This document has been proactively released by the Office of the Minister of Finance on the Treasury website at <https://treasury.govt.nz/publications/information-release/budget-2019-information-release>

### Information Withheld

Some information in this document has been withheld under one or more of the sections of the Official Information Act 1982.

### Key to sections of the Official Information Act 1982 under which information has been withheld:

Good reasons for withholding the information exist, as the making available of that information would be likely to:

- |      |   |          |
|------|---|----------|
| [1]  | prejudice the security or defence of New Zealand or the international relations of the Government of New Zealand  | 6(a)     |
| [4]  | prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial   | 6(c)     |
| [23] | 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) |

Withholding the information is necessary for the following reasons and is not outweighed by other considerations, which make it desirable in the public interest to make it available:

- |      |  |             |
|------|--|-------------|
| [25] | to protect information where the making available of that information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  | 9(2)(b)(ii) |
| [31] | to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility   | 9(2)(f)(ii) |
| [33] | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials   | 9(2)(f)(iv) |
| [34] | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty | 9(2)(g)(i)  |
| [37] | to enable a Minister of the Crown or any department or organisation holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial or industrial negotiations)  | 9(2)(i)     |
| [38] | to enable a Minister of the Crown or any department or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial or industrial negotiations)   | 9(2)(j)     |
| [39] | to prevent the disclosure or use of official information for improper gain or improper advantage   | 9(2)(k)     |

### Copyright and Licensing

Cabinet material and advice to Ministers from the Treasury and other public service departments are © Crown copyright but are licensed for re-use under Creative Commons Attribution 4.0 International (CC BY 4.0) [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

### Accessibility

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to [information@treasury.govt.nz](mailto:information@treasury.govt.nz).



# Cabinet

## 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.*

### 2019 Budget Technical Financial Recommendations: Labour Market

On 18 March 2019, Cabinet:

- 1 **approved** the Budget initiative for the above Vote for inclusion in the 2019 Budget package, as listed in the summary below and detailed in the attached initiative documents;

#### Summary of initiatives included in the attached initiative document:

##### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
11494	Pay Equity Dispute Resolution - Delay in Appointing Employment Relations Authority Members	(0.479)	-	0.320	0.159	-

- 2 **approved** changes to appropriations to implement the initiative, as set out in the attached initiative document;
- 3 **approved** the additional recommendations to give effect to the initiative, as set out in the attached initiative document;
- 4 **agreed** that the proposed changes to appropriations for 2018/19 above be included in the 2018/19 Supplementary Estimates;
- 5 **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 2018/19 Supplementary Estimates, the 2019/20 Estimates and the fiscal forecasts;

- 6 **noted** that all communications relating to the 2019 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

---

**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Minister of Finance  
Minister for Workplace Relations and Safety

**Vote:** Labour Market

**Title:** Pay Equity Dispute Resolution - Delay in Appointing Employment Relations Authority Members

**Description:** Additional funding was provided in Budget 2017 for employment relations services, including additional Employment Relations Authority (ERA) members to assist with the facilitation of the new pay equity regime. This initiative re-phases the spending profile to reflect delays in the implementation of the new legislation. It also correctly reflects the appropriation that spending on additional ERA members will occur under, the Employment Relations Authority Members' Salaries and Allowances PLA, rather than the Employment Relations Services appropriation that was increased in Budget 2017.

### Appropriation Changes

	\$m - increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Operating Balance Impact	(0.479)	-	0.320	0.159	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>(0.479)</b>	<b>-</b>	<b>0.320</b>	<b>0.159</b>	<b>-</b>

	\$m - increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
<b>Departmental Output Expense:</b>					
Workplace Relations and Safety - Employment Relations Services (funded by revenue Crown)	(0.639)	(0.639)	(0.319)	-	-
<b>Total Operating</b>	<b>(0.639)</b>	<b>(0.639)</b>	<b>(0.319)</b>	<b>-</b>	<b>-</b>

7 **noted** that this initiative rephases the spending profile associated with the appointment of additional Employment Relations Authority members to reflect delays in implementation;

8 **noted** the following changes to appropriations in accordance with section 171 of the Employment Relations Act 2000, reflecting the changed costs described in paragraph 7 above, with a corresponding impact on the operating balance:

	\$m - increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
<b>Non-Departmental Other Expense:</b>					
Workplace Relations and Safety - Employment Relations Authority Members' Salaries and Allowances PLA	0.160	0.639	0.639	0.159	-