



TE TAI ŌHANGA
THE TREASURY

Reference: 20210419

24 September 2021



Dear 

Thank you for your Official Information Act request (OIA), received on 2 September 2021. You requested:

All advice on the impact of rising interest rates on household disposable incomes, private sector debt levels and the wider economic performance in general.

All advice on the impacts of the covid-19 pandemic on New Zealand's economic performance, including global trade, labour shortages and lockdowns.

All advice on complying with the Public finances Act for the 2020, 2021 and 2022 budgets including advice on prudent levels of debt and government spending.

Information being released

Much of the information you have requested can be found on the Treasury website (listed below). Accordingly, I have refused those parts of your request under section 18(d) of the OIA: *the information requested is or will soon be publicly available.*

Part 1

In order to assist, we have reviewed the formal advice that was given to Ministers that we could locate within the scope of the first part of your request and can confirm that all substantive information on this topic is publicly available on the Treasury website. The Treasury periodically proactively releases advice to the Minister of Finance. As such, a substantial amount of information is already available on the topic you have requested.

This information can be found via the following links:

- <https://www.treasury.govt.nz/publications/other-official-information/information-releases>.
- <https://www.treasury.govt.nz/sites/default/files/2021-04/oia-20210012.pdf>
- <https://www.treasury.govt.nz/sites/default/files/2021-07/oia-20200010a.pdf>

In particular, the information and advice received by the Minister in the lead-up to the March 2021 housing package announcement can be found via the following link:

- <https://www.treasury.govt.nz/publications/information-release/tax-and-housing>.

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Part 2

The Treasury maintains a webpage on funding and expenditure on the COVID-19 pandemic [COVID-19 funding allocation and expenditure \(treasury.govt.nz\)](https://www.treasury.govt.nz/COVID-19-funding-allocation-and-expenditure). This webpage contains information on how much funding the Government has signalled for their response to and recovery from COVID-19, as well as how much of this funding is yet to be allocated.

The latest information on the Government's fiscal position and borrowings can be found in the Treasury's 2021 *Budget Economic and Fiscal Update* [Budget Economic and Fiscal Update 2021 \(treasury.govt.nz\)](https://www.treasury.govt.nz/budget-economic-and-fiscal-update-2021). The Treasury publishes a number of different debt indicators for financial reporting purposes.

Part 3

The latest information on Government borrowings can be found in the Treasury's 2021 Budget Economic and Fiscal Update (BEFU) [Budget Economic and Fiscal Update 2021 \(treasury.govt.nz\)](https://www.treasury.govt.nz/budget-economic-and-fiscal-update-2021). The Treasury publishes a number of different debt indicators for financial reporting purposes. The Government currently uses net core Crown debt as a key fiscal indicator when communicating their fiscal strategy.

Net core Crown debt is a useful indicator to determine the level of funding that may be required to meet the Government's operating and capital spending intentions.

The table below outlines the trend in net core Crown debt from February 2020 to May 2021 (the most recent published Financial Statements of the Government) and the Treasury's forecasts for the 2020/21 and 2021/22 fiscal years.

	As at 29 February 2020 (actual)	As at 31 May 2021 (actual)	As at 30 June 2021 (forecast)	As at 30 June 2022 ¹ (forecast)
Net core Crown debt (\$million)	59,751	101,517	113,655	153,311
Net core Crown debt (% of GDP)	19.2	31.2	34.0	43.8

Since February 2020, net core Crown debt has increased significantly up to May 2021 and this trend is expected to continue into the 2021/22 fiscal year, largely due to the fiscal impacts from the COVID-19 pandemic on the Government's finances.

As the three parts of your request are varied in terms of subject matter and contain a very broad scope of information requested, it would require substantive amounts of work and consultation in order to provide you with all of the information requested. For instance, each separate point would result in a large amount of consultation with multiple teams within the Treasury in order to conduct thorough searches for all of this information. Accordingly, the remainder of your request is refused under section 18(f) of the OIA: *the information requested cannot be made available without substantial collation or research.*

¹ Note the Government of New Zealand's financial year covers the year ending 30 June, rather than a year ending 31 March.

I have considered whether the Treasury would be able to respond to this request in full if given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Treasury's ability to undertake its work would still be prejudiced.

If you would like to make a new request and include more specificity on what information you are after, along with a specific timeframe of when the documents requested were written, then the Treasury will consider that request and provide a response accordingly. The Treasury is happy to assist you with making a more refined request, and can be contacted at Ministerial.Services@treasury.govt.nz.

Please note that this letter (with your personal details removed) may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Reubhan Swann
Manager, Ministerial Advisory Service