

The Treasury

Budget 2022 Information Release

August 2022

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Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [27] 9(2)(ba)(ii) - 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
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] Out of Scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
- [42] 18(d) - information is already publicly available or will be publicly available soon

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2022 Budget Package: Vote Finance

Appropriation Administrator: The Treasury

It is recommended that the relevant Appropriation Minister and the Associate Minister of Finance (Hon Dr Megan Woods) on behalf of the Minister of Finance jointly:

- 1 **note** that Cabinet has approved the Budget initiative(s) for the above Vote for inclusion in the 2022 Budget package, as detailed in the summary table(s) below:

Summary of funded initiative(s) agreed by Cabinet:

Operating Initiative(s) (Impact on Operating Balance)

| Initiative ID | Initiative Name | \$m - increase/(decrease) | | | | |
|------------------------|---|---------------------------|---------------|---------------|---------------|--------------------|
| | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| 14530 | Auckland Light Rail – Progressing the Next Phase of Project Delivery | - | 0.180 | 0.180 | - | - |
| 14537 | Emissions Reduction Plan Performance Monitoring | - | 1.339 | 1.306 | 1.348 | 1.348 |
| 13800 | Funding to Monitor the Reserve Bank of New Zealand and Government Support Package | 0.250 | 0.825 | 0.825 | 0.825 | 0.625 |
| 13803 | Maintaining Treasury Capability in Support of Government Priorities | - | 10.000 | 15.200 | 16.745 | 20.650 |
| Total Operating | | 0.250 | 12.344 | 17.511 | 18.918 | 22.623 |

Capital Initiative(s) (Impact on Debt)

| Initiative ID | Initiative Name | \$m - increase/(decrease) | | | | |
|----------------------|---|---------------------------|--------------|--------------|--------------|--------------------|
| | | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| 14531 | Ground-Based Navigation Aids at Five Locations, to Complete a Safe Minimum Operating Network for Aviation | - | 4.000 | 3.000 | 3.000 | - |
| Total Capital | | - | 4.000 | 3.000 | 3.000 | - |

- 2 **note** that Cabinet has:

- i. **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiative(s) included in the 2022 Budget package for the above Vote, as detailed in the summary table(s) above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2021/22 approved by Joint Ministers as authorised above be

included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2022/23 Estimates and being sought in the Appropriation (2022/23 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
 - iv. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2021/22 Supplementary Estimates, the 2022/23 Estimates and the fiscal forecasts;
 - v. **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet 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 and/or Statement of Performance Expectations;
 - vi. **noted** that all communications relating to the 2022 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;
- 3 **agree** to establish new appropriations where required to implement the initiative(s) included in the summary table(s) above, as detailed in the attached initiative document(s);
 - 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiative(s) included in the summary table(s) above, as set out in the attached initiative document(s);
 - 5 **approve** the additional recommendation(s) to give effect to the initiative(s), as set out in the attached initiative document(s);
 - 6 **agree** that the proposed change(s) to appropriations and/or capital injections for 2021/22 detailed in the attached initiative document(s) be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase(s) be met from Imprest Supply;

Vote: Finance

Appropriation Administrator: The Treasury

Title: Auckland Light Rail – Progressing the Next Phase of Project Delivery

Description: This initiative provides funding for the Auckland Light Rail Unit to carry out detailed planning activities following Cabinet decisions on Auckland Light Rail in December 2021. Costs covered include client delivery and professional services, the Auckland Light Rail Board and secretariat services, the policy work programme, and contingency funding for strategic land acquisition.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------------|---------------------------|--------------|--------------|---------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Operating Balance Impact* | - | 0.180 | 0.180 | - | - |
| Net Core Crown Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 0.180 | 0.180 | - | - |

* Unless non-cash, will also impact net core Crown debt.

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|--------------|---------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Multi-Category Expenses and Capital Expenditure: | | | | | |
| Policy Advice and Financial Services (MCA MYA) | | | | | |
| <i>Departmental Output Expenses:</i> | | | | | |
| Policy Advice (funded by revenue Crown) | - | 0.180 | 0.180 | - | - |
| Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Financial Services (MCA MYA) | - | 0.180 | 0.180 | - | - |
| Total Operating | - | 0.180 | 0.180 | - | - |
| Total Capital | - | - | - | - | - |

Additional Recommendations

- 7 **note** that related funding has also been provided through Vote Transport (Initiative 13845);
- 8 **agree** the Multi-Year Appropriation: "Policy Advice and Financial Services" be adjusted by \$0.360 million;
- 9 **note** that the amounts shown in the Appropriation Changes table for the Multi-Year

Appropriation: "Policy Advice and Financial Services" reflect the changes to the indicative annual spending profile;

Vote: Finance

Appropriation Administrator: The Treasury

Title: Emissions Reduction Plan Performance Monitoring

Description: This initiative will fund a suite of monitoring and accountability mechanisms to help to keep delivery of the Emissions Reduction Plan on track.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------------|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Operating Balance Impact* | - | 1.339 | 1.306 | 1.348 | 1.348 |
| Net Core Crown Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 1.339 | 1.306 | 1.348 | 1.348 |

* Unless non-cash, will also impact net core Crown debt.

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Departmental Output Expenses: | | | | | |
| Policy Advice - Finance (funded by revenue Crown) | - | - | - | 1.348 | 1.348 |
| Multi-Category Expenses and Capital Expenditure: | | | | | |
| Policy Advice and Financial Services (MCA MYA) | | | | | |
| <i>Departmental Output Expenses:</i> | | | | | |
| Policy Advice (funded by revenue Crown) | - | 1.339 | 1.306 | - | - |
| Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Financial Services (MCA MYA) | - | 1.339 | 1.306 | - | - |
| Total Operating | - | 1.339 | 1.306 | 1.348 | 1.348 |
| Total Capital | - | - | - | - | - |

Additional Recommendations

10 **note** that this is a Cross-Vote Initiative with the primary component in Vote Environment;

11 **agree** the Multi-Year Appropriation: "Policy Advice and Financial Services" be adjusted by

\$2.645 million;

- 12 **note** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: "Policy Advice and Financial Services" reflect the changes to the indicative annual spending profile;
- 13 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 14 **note** that Cabinet has agreed that any operating expenditure associated with this initiative will impact OBEGAL and net debt directly after 2025/26;
- 15 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 16 **direct** the Ministry for the Environment to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Finance

Appropriation Administrator: The Treasury

Title: Funding to Monitor the Reserve Bank New Zealand and Government Support Package

Description: This initiative provides funding to support the Treasury's monitoring of the Reserve Bank of New Zealand and the Government Support Package introduced under the Infrastructure Funding and Financing Act 2020 to support the delivery of housing and urban development infrastructure.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------------|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Operating Balance Impact* | 0.250 | 0.825 | 0.825 | 0.825 | 0.625 |
| Net Core Crown Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 0.250 | 0.825 | 0.825 | 0.825 | 0.625 |

* Unless non-cash, will also impact net core Crown debt.

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Departmental Output Expenses: | | | | | |
| Policy Advice - Finance (funded by revenue Crown) | - | - | - | 0.825 | 0.625 |
| Multi-Category Expenses and Capital Expenditure: | | | | | |
| Policy Advice and Financial Services (MCA MYA) | | | | | |
| <i>Departmental Output Expenses:</i> | | | | | |
| Policy Advice (funded by revenue Crown) | 0.250 | 0.825 | 0.825 | - | - |
| Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Financial Services (MCA MYA) | 0.250 | 0.825 | 0.825 | - | - |
| Total Operating | 0.250 | 0.825 | 0.825 | 0.825 | 0.625 |
| Total Capital | - | - | - | - | - |

Additional Recommendations

17 agree the Multi Year Appropriation: "Policy Advice and Financial Services" be adjusted by

\$1.900 million;

- 18 **note** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: "Policy Advice and Financial Services" reflect the changes to the indicative annual spending profile;

Vote: Finance

Appropriation Administrator: The Treasury

Title: Ground-Based Navigation Aids at Five Locations, to Complete a Safe Minimum Operating Network for Aviation

Description: This initiative provides funding for Airways New Zealand to deliver five navigation aids that will be used to safely recover aircraft as an emergency alternative to GPS navigation across mainland New Zealand, at locations where the usual avenue of user-pays cost recovery is not feasible. This will complete the safe minimum operating network in New Zealand (a full network of 24 ground-based navigation aids).

New Appropriation Approval

| Name | Appropriation Minister | Period | Type | Category Name | Scope |
|--|------------------------|--------|--------------------------------------|---------------|---|
| Capital Injections to Airways New Zealand for Ground-Based Navigation Aids | Minister of Finance | Annual | Non-Departmental Capital Expenditure | N/A | This appropriation is limited to equity injections to Airways New Zealand for the delivery and maintenance of ground-based navigation aids. |

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------------|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Operating Balance Impact* | - | - | - | - | - |
| Net Core Crown Debt Impact Only | - | 4.000 | 3.000 | 3.000 | - |
| No Impact | - | - | - | - | - |
| Total | - | 4.000 | 3.000 | 3.000 | - |

* Unless non-cash, will also impact net core Crown debt.

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|--------------|--------------|--------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Non-Departmental Capital Expenditure: | | | | | |
| Capital Injections to Airways New Zealand for Ground-Based Navigation Aids | - | 4.000 | 3.000 | 3.000 | - |
| Total Operating | - | - | - | - | - |
| Total Capital | - | 4.000 | 3.000 | 3.000 | - |

Additional Recommendation

19 **note** that related funding has also been provided through Vote Transport (Initiative 13928);

Vote: Finance

Appropriation Administrator: The Treasury

Title: Maintaining Treasury Capability in Support of Government Priorities

Description: This initiative provides funding to maintain the Treasury's capability to provide critical core fiscal and economic functions and advice in support of Government priorities.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|---------------------------------|---------------------------|---------------|---------------|---------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Operating Balance Impact* | - | 10.000 | 15.200 | 16.745 | 20.650 |
| Net Core Crown Debt Impact Only | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 10.000 | 15.200 | 16.745 | 20.650 |

* Unless non-cash, will also impact net core Crown debt.

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|---------------|---------------|---------------|--------------------|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 & Outyears |
| Departmental Output Expenses: | | | | | |
| Policy Advice - Finance (funded by revenue Crown) | - | - | - | 16.745 | 20.650 |
| Multi-Category Expenses and Capital Expenditure: | | | | | |
| Policy Advice and Financial Services (MCA MYA) | | | | | |
| <i>Departmental Output Expenses:</i> | | | | | |
| Policy Advice (funded by revenue Crown) | - | 10.000 | 15.200 | - | - |
| Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Financial Services (MCA MYA) | - | 10.000 | 15.200 | - | - |
| Total Operating | - | 10.000 | 15.200 | 16.745 | 20.650 |
| Total Capital | - | - | - | - | - |

Additional Recommendations

20 **agree** the Multi-Year Appropriation: "Policy Advice and Financial Services" be adjusted by \$25.200 million; and

21 **note** that the amounts shown in the Appropriation Changes table for the Multi-Year

Appropriation: "Policy Advice and Financial Services" reflect the changes to the indicative annual spending profile.