



**BUDGET  
2024**

# Summary of Initiatives

**Hon Nicola Willis  
Minister of Finance**

**30 May 2024**

Embargo: Contents not for communication in any form  
before 2:00 pm on Thursday 30 May 2024





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# Summary of Initiatives

## He Whakarāpopototanga o ngā Kaupapa

In Budget 2024, the Government is investing an average of \$3.2 billion per year in net new operating spending. The Government is also investing \$2.4 billion total in new capital spending from the Multi-Year Capital Allowance.

Table 1 below provides a breakdown of Budget 2024, including offsets from revenue and savings, as well as reprioritisation of unspent funding such as from tagged contingencies. For total expenditure by Vote, see the *Estimates of Appropriations* for 2024/25.

**Table 1 – Budget net expenditure breakdown**

	Budget 2024 Operating Average <sup>1</sup> \$million	Budget 2024 Operating Total <sup>2</sup> \$million	Budget 2024 Capital Total <sup>3</sup> \$million	Budget 2025 Committed Operating Average \$million	Budget 2026 Committed Operating Average \$million
<b>Budget Breakdown</b>					
Tax Relief	3,681	14,725	7	-	-
Savings and Revenue to Fund Tax Relief	(3,712)	(14,848)	(1,360)	-	-
Health*	2,007	8,029	124	1,370	1,370
Education (including Tertiary Education)	1,006	4,025	679	-	-
Law and Order	465	1,859	216	-	-
Social Sector and Disability Services	369	1,476	-	-	-
Transport	220	879	1,809	-	-
Defence and Foreign Affairs	109	436	325	-	-
Other New Spending	1,205	4,821	2,379	-	-
Savings and Revenue to Fund Core Services	(2,146)	(8,583)	(1,779)	-	-
<b>Total Budget 2024</b>	<b>3,205</b>	<b>12,819</b>	<b>2,399</b>	<b>1,370</b>	<b>1,370</b>

\* The Government has committed \$1.4 billion per year against each of the Budget 2025 and 2026 operating allowances for Health cost pressures.

Note: Table 1 includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitive. The totals of individual initiatives will, therefore, not reconcile to the table above.

<sup>1</sup> Operating annual average across five years (2023/24 to 2027/28).

<sup>2</sup> Operating funding over five years (2023/24 to 2027/28).

<sup>3</sup> Capital funding over 10 years (2023/24 to 2032/33).

## Budget 2024 Tax Plan

Delivering on our commitment to provide tax relief to New Zealanders is a core component of Budget 2024. Overall, the Budget 2024 tax plan totals \$14.7 billion operating funding. This means that \$14.7 billion will be delivered back into the pockets of New Zealanders. The tax plan is fully offset by reprioritisation, savings and new revenue.

This means it is expected to be broadly neutral for inflation and does not require additional borrowing. The revenue and savings funding the tax plan are set out below. These are a mix of carefully targeted new revenue measures, savings from lower-value programmes, and agency efficiency savings.

**Table 2 – Cost of the Budget 2024 Tax Plan**

	Budget 2024 Operating Average <sup>4</sup> \$million	Budget 2024 Operating Total <sup>5</sup> \$million
<b>Tax Plan Breakdown</b>		
Personal Income Tax Thresholds and Independent Earner Tax Credit	2,571	10,284
In-work Tax Credit Increase	155	620
FamilyBoost payment for Early Childhood Education costs	182	726
Restoring Interest Deductibility for Residential Rental property	729	2,915
Brightline Test Adjustment	45	180
<b>Total *</b>	<b>3,681</b>	<b>14,725</b>

\* This includes the cost to implement the Tax Plan.

**Table 3 – Savings and Revenue that fund the Budget 2024 Tax Plan**

	Budget 2024 Operating Average \$million	Budget 2024 Operating Total \$million
<b>Savings and Revenue to Fund Tax Relief Breakdown</b>		
Baseline Savings not Reprioritised to Frontline Agencies	(1,215)	(4,860)
Closing Labour Programmes*	(775)	(3,101)
Climate Dividend*	(597)	(2,390)
Commercial Buildings Depreciation	(578)	(2,311)
Taxing Online Casino Operators	(47)	(190)
Revenue from Immigration Levies	(133)	(531)
Fees Free – Replacing First-Year with Final-Year Fees Free	(220)	(879)
Investment in Tax Compliance Activities	(147)	(586)
<b>Total</b>	<b>(3,712)</b>	<b>(14,848)</b>

\* Through both Mini Budget and Budget 2024.

Note: Climate Dividend includes the closure of the Climate Emergency Response Fund (CERF) funding. For initiatives that were partially funded from the CERF, the non-CERF funding is also included.

<sup>4</sup> Operating annual average across five years (2023/24 to 2027/28).

<sup>5</sup> Operating funding over five years (2023/24 to 2027/28).



## Baseline Savings

As part of Budget 2024, the Government announced an Initial Baseline Exercise, designed to deliver \$1.5 billion on average per year in operating savings. To support this, departments were asked to review existing baseline expenditure (which may include non-departmental operating funding for Crown entities) and identify savings options focused on low-value programmes, programmes that do not align to Government objectives and non-essential back-office functions including contractor and consultant spend.

Each agency was provided with a target of 6.5 per cent or 7.5 per cent of their eligible baseline and a per annum quantum. The savings amount for each agency's baseline savings target was assigned based on full-time equivalent growth, with those that had a greater than 50 per cent increase (since 2017 or establishment) being allocated the higher percentage. Agencies were asked to scrutinise this full-time equivalent growth when considering baseline savings options for Budget 2024.

Where the final baseline reduction is less than the target an agency was set, this is largely because the Government has opted not to pursue further savings at this time.

In Budget 2024, the Government has achieved its baseline savings target of \$1.5 billion average operating savings per year.

## Further Savings and Revenue Measures

In addition to the baseline savings target, a small number of agencies were directed to provide targeted policy savings or revenue options. Further savings and revenue measures refers to specific policies or programmes reviewed with a view of ending and/or scaling back, or specific policies that generate revenue to the Government. Some options were identified by the Government for review ahead of Budget 2024 and some were raised by agencies through the submission process.

**Table 4 – Budget 2024 baseline savings and further savings and revenue measures breakdown**

	Savings Target	Savings Target Average <sup>6</sup>	Baseline Reduction Average <sup>7</sup>	Further Savings and Revenue Measures Average
Department Breakdown	Per cent	\$million	\$million	\$million
Crown Law Office <sup>^</sup>	6.5	(6.6)	(2.0)	N/A
Department of Conservation	6.5	(33.8)	(33.0)	N/A
Department of Corrections <sup>*^</sup>	6.5	(108.6)	(110.5)	N/A
Department of Internal Affairs	6.5	(26.2)	(28.1)	(72.5)
Department of the Prime Minister and Cabinet	6.5	(6.3)	(3.2)	N/A
Education Review Office	6.5	(3.2)	(2.5)	N/A
Executive Board for the Elimination of Family Violence and Sexual Violence	6.5	(1.3)	-	N/A

<sup>6</sup> Operating annual average across five years (2023/24 to 2027/28).

<sup>7</sup> Operating annual average across five years (2023/24 to 2027/28). This is based on the final Budget 2024 package agreed by Ministers.

	Savings Target	Savings Target Average <sup>6</sup>	Baseline Reduction Average <sup>7</sup>	Further Savings and Revenue Measures Average
Department Breakdown	Per cent	\$million	\$million	\$million
Government Communications Security Bureau	-	-	(7.6)	N/A
Inland Revenue Department	6.5	(39.6)	(29.6)	(9.3)
Land Information New Zealand	6.5	(8.6)	(8.6)	N/A
Ministry for Culture and Heritage	7.5	(37.5)	(19.6)	N/A
Ministry for Pacific Peoples	7.5	(5.6)	(6.4)	N/A
Ministry for Primary Industries	7.5	(63.2)	(75.9)	(41.1)
Ministry for the Environment	7.5	(49.1)	(49.1)	(44.4)
Ministry for Women	7.5	(1.1)	(1.1)	N/A
Ministry of Business, Innovation and Employment	7.5	(233.9)	(231.5)	(254.2)
Ministry of Defence*	7.5	(2.0)	(2.0)	N/A
Ministry of Education*	7.5	(73.6)	(107.2)	(275.0)
Ministry of Education – Tertiary Education			(7.2)	
Ministry of Foreign Affairs and Trade	6.5	(98.9)	(15.0)	N/A
Ministry of Health*	6.5	(12.6)	(12.6)	(37.9)
Ministry of Housing and Urban Development	7.5	(108.8)	(391.4)	(61.3)
Ministry of Justice <sup>^</sup>	6.5	(80.8)	(47.8)	N/A
Ministry of Social Development	6.5	(119.4)	(107.0)	(84.8)
Ministry of Transport	7.5	(38.5)	(83.4)	(8.3)
New Zealand Customs Service	6.5	(1.2)	(1.2)	N/A
New Zealand Defence Force*	6.5	(150.0)	(24.8)	N/A
New Zealand Police <sup>^</sup>	6.5	(118.0)	(13.8)	N/A
New Zealand Security Intelligence Service	-	-	(3.4)	N/A
Office of the Clerk	6.5	(1.6)	-	N/A
Oranga Tamariki — Ministry for Children*	6.5	(95.9)	(79.9)	N/A
Parliamentary Counsel Office	6.5	(1.6)	-	N/A
Parliamentary Service	6.5	(7.5)	-	N/A
Public Service Commission	7.5	(2.7)	(2.8)	N/A
Serious Fraud Office <sup>^</sup>	6.5	(1.1)	(0.6)	N/A
Stats NZ	7.5	(16.3)	(16.3)	N/A
Te Arawhiti	6.5	(4.5)	(2.7)	N/A
Te Puni Kōkiri	6.5	(34.6)	(24.2)	N/A
The Treasury	6.5	(9.5)	(16.2)	N/A
Whaikaha – Ministry of Disabled People	7.5	(5.2)	-	N/A
Other	-	-	-	(112.5)
<b>Total</b>			<b>1,568.3</b>	<b>1,001.3</b>

\* All savings have been retained by the agency to support the delivery of frontline services.

<sup>^</sup> The Justice Cluster had a savings target of \$315.1 million per year.

## Connection Between the Summary of Initiatives and Estimates of Appropriations

The *Estimates of Appropriations* provide information to Parliament on the expenses and capital expenditure the Government plans to incur for the upcoming financial year. The Estimates covers all existing baseline expenditure for the upcoming financial year and new Budget spending decisions. The Estimates are organised into nine volumes that can be referred to for supporting information on the Vote. Related appropriations are grouped within Votes (e.g., Vote Health includes all health-related appropriations administered by the Ministry of Health).

The *Summary of Initiatives* provides information on the new spending and savings initiatives for Budget 2024 that the Government has agreed to for each Vote.

Estimates	Vote
Volume 1 – Economic Development and Infrastructure Sector	Building and Construction Business, Science and Innovation Transport
Volume 2 – Education and Workforce Sector	Education Education Review Office Labour Market Tertiary Education
Volume 3 – External Sector	Customs Defence Defence Force Foreign Affairs
Volume 4 – Finance and Government Administration Sector	Audit Communications Security and Intelligence Finance Internal Affairs Office of the Clerk Ombudsmen Parliamentary Service Prime Minister and Cabinet Public Service Regulation Revenue Security Intelligence Social Investment Statistics
Volume 5 – Health Sector	Health
Volume 6 – Justice Sector	Attorney-General Corrections Courts Justice Parliamentary Counsel <sup>8</sup> Police Serious Fraud
Volume 7 – Māori Affairs Sector	Māori Development Te Arawhiti

<sup>8</sup> Vote Parliamentary Counsel is not part of the Justice Cluster.

Estimates	Vote
Volume 8 – Natural Resources Sector	Agriculture, Biosecurity, Fisheries and Food Safety Conservation Environment Forestry Lands <sup>9</sup> Parliamentary Commissioner for the Environment <sup>10</sup>
Volume 9 – Social Services and Community Sector	Arts, Culture and Heritage Housing and Urban Development Oranga Tamariki Pacific Peoples Social Development Sport and Recreation Women

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<sup>9</sup> Vote Lands is not part of the Natural Resources Cluster.

<sup>10</sup> Vote Parliamentary Commissioner for the Environment is not part of the Natural Resources Cluster.

## Overview of the Summary of Initiatives

The Summary of Initiatives is organised into different sections, which are reflective of when decisions were made and how the initiatives were funded:

- Budget 2024 Initiatives by Vote
- Budget 2024 Initiatives Funded Outside Allowances
- Budget 2024 Pre-commitments, Mini Budget Commitments, 2023 Pre-Election Economic and Fiscal Update Pre-commitments
- Initiatives Related to Time-Limited Funding.

The majority of this document is focused on “Budget 2024 Initiatives by Vote”, which are the new spending and savings initiatives funded (or returning funding) in Budget 2024 from the operating allowance and Multi-Year Capital Allowance:

- **Increased Funding for Core Services** – this is funding to cover the increased costs of delivering existing public services (including capital projects) due to higher demand, wages or inflation.
- **New Government Commitments** – this is funding to meet the Government’s policy commitments to implement new services and programmes, extend existing services that currently have time limited funding or expand services to a broader group of people.
- **Savings and Revenue** – this is the return of existing funding by ending or scaling back low value programmes, programmes that do not align with the Government’s objectives and non-essential back-office functions, including contractor and consultant spend. For Budget 2024, there are four different types of savings and revenue initiatives.
  - **Baseline savings and revenue** – these are savings resulting from departments reviewing existing baseline expenditure and identifying options to meet a target set by the Government.
  - **Further savings and revenue** measures – these are savings from ending or scaling back specific policies or programmes, or specific policies that generate revenue to the Government.
  - **Capital review savings** – these result from a review of the existing capital pipeline to ensure funding is directed towards higher value and priority investments.
  - **Return of tagged contingencies** – these savings return unspent funding set aside in contingencies, which were established in previous Budgets.

Initiatives are organised by Vote (such as Vote Health). For each Vote, there is a summary table, which breaks down the Budget 2024 decisions into the three groups outlined above. The summary table also provides an aggregate total with either a net increase or net decrease (indicated with brackets).

Some Vote summary tables include funding amounts that are not disclosed in more detail due to commercial sensitivity (as such when all individual initiatives are totalled, they may not equal the aggregate summary table). Where pre-commitments against the Budget 2024 operating allowance or Multi Year Capital Allowance are shown alongside other initiatives in the Vote, they do not contribute to the summary table amounts.

**Example of a Vote summary table and summary of an initiative**

**[Vote Title]**

	Budget 2024 Operating Average (\$m) <sup>11</sup>	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	5.000	20.000	-
New Government Commitments	2.500	10.000	10.000
Savings and Revenue	(4.000)	(16.000)	(20.000)
<b>Total</b>	<b>3.500</b>	<b>14.000</b>	<b>(10.000)</b>

**[Initiative Type – for example, New Government Commitments]**

**[Initiative Title]**

**[Initiative Description]**

Vote	Annual operating funding (\$m)					Operating funding over 5 years (\$m)	Capital funding over 10 years (\$m)
	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Vote Name 1 [lead Vote]	-	10.000	10.000	10.000	10.000	40.000	5.000
Vote Name 2 [for cross-Vote initiatives only]	10.000	10.000	10.000	10.000	10.000	50.000	5.000
Vote Name 3 [for cross-Vote initiatives only]	-	(5.000)	(5.000)	(5.000)	(5.000)	(20.000)	-
Vote Name 4	-	10.000	5.000	-	-	-	-
Tagged contingency		5.000	5.000	5.000	5.000	20.000	-
Tagged contingency						5.000	-

Generally, initiatives are funded via a single Vote. However, in cases where initiatives are funded across two or more Votes, the funding will only be shown under the lead Vote's Summary of Initiatives.

Some funding is held in a "tagged contingency" (i.e., funding is not appropriated until certain conditions are met). Funding amounts for some tagged contingencies are withheld due to commercial sensitivity.

In some cases, activities and programmes are time-limited (e.g., in response to an event or pending the outcome of a review) and therefore, ongoing funding is not provided. More information on time-limited initiatives are provided on pages 107 – 109.

Brackets indicate negative numbers, which reflects a reduction in expenditure or an increase in revenue.

<sup>11</sup> Operating annual average across five years (2023/24 to 2027/28).

## Agriculture, Biosecurity, Fisheries and Food Safety

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(99.135)	(396.540)	-
<b>Total</b>	<b>(99.135)</b>	<b>(396.540)</b>	<b>-</b>

## Savings and Revenue

### Baseline Savings and Revenue

#### Accelerating Development of Agricultural Greenhouse Gas Mitigations

This savings initiative returns funding for the Accelerating Development of Agriculture Greenhouse Gas Emissions Mitigation Programme. Approximately \$105 million operating per annum (or 91 per cent) for this programme remains. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	(5.660)	-	(2.476)	(2.350)	(0.350)	(10.836)	-

#### Biosecurity Monitoring Cost Recovery

This savings initiative returns Crown funding for biosecurity monitoring. This will be replaced by third-party payment for services delivered by the Ministry for Primary Industries.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	-	(3.100)	(6.000)	(6.000)	(6.000)	(21.100)	-

#### Mātauranga Māori-based Approaches to Agricultural Emissions Reduction

This savings initiative returns all uncommitted funding for developing mātauranga Māori-based approaches to accelerate new emissions mitigations by consolidating investment funds within the Accelerating Development of Agricultural Greenhouse Gas Mitigations Programme. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	-	(7.000)	(10.000)	(10.000)	(10.000)	(37.000)	-

#### Ministry for Primary Industries Operating Efficiencies

This savings initiative returns funding for the Ministry for Primary Industries through a reduction in personnel, contract costs, and property leases, as the number of funded full-time-equivalent roles at the Ministry for Primary Industries will be reduced from 1 July 2024.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	-	(34.226)	(27.826)	(27.826)	(27.826)	(117.704)	-
Forestry	-	(2.674)	(2.174)	(2.174)	(2.174)	(9.196)	-

## On Farm Support Services

This savings initiative returns funding for the planned expansion of On Farm Support Services. Funding at the current level will continue, maintaining the Ministry for Primary Industries' existing network and service delivery.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	-	(6.200)	(7.000)	(7.000)	(7.000)	(27.200)	-

## Sustainable Land Management and Climate Change Programme

This savings initiative returns all uncommitted funding for the Sustainable Land Management and Climate Change Programme, by consolidating investment across Ministry for Primary Industries sustainable land management and climate change programmes.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	-	(4.400)	(4.600)	(4.600)	(4.600)	(18.200)	-

## Further Savings and Revenue Measures

### Agricultural Emissions Pricing Tagged Contingency

This savings initiative returns funding held in contingency for the development of an agricultural emissions pricing system. Approximately \$3 million operating per annum remains in tagged contingency to support the Government's commitment to introduce a fair and sustainable pricing system for on-farm emissions. This initiative was originally funded through the Climate Emergency Response Fund.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(18.500)	(56.500)	(29.900)	(34.900)	(24.700)	(164.500)	-



## Arts, Culture and Heritage

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	29.034	116.137	-
Savings and Revenue	(10.558)	(42.230)	-
<b>Total</b>	<b>18.477</b>	<b>73.907</b>	-

## New Government Commitments

### New Zealand Screen Production Rebate – Domestic

This initiative provides funding to meet demand from eligible New Zealand productions for the New Zealand Screen Production Rebate. Forecast expenditure is uncertain for the rebate and time-limited funding provides an opportunity for costs to be considered in future Budgets.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Arts, Culture and Heritage	-	38.200	29.200	-	-	67.400	-

### Te Matatini – Funding to Support the Regional Development Model

This initiative provides ongoing funding to enable Te Matatini to embed its regional development model. This aligns with Te Matatini work since Budget 2023 to expand from a biennial national festival to support kapa haka in the regions. This funding will enable a thriving kapa haka sector with strong regional networks and development opportunities for practitioners. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Arts, Culture and Heritage	-	-	16.189	16.259	16.289	48.737	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Ministry for Culture and Heritage Operational Efficiencies

This savings initiative returns funding from operational efficiencies, uncommitted funds, and reduced support for some programmes operated by the Ministry for Culture and Heritage. These savings are partly from the closure of the Regional Culture and Heritage Fund, which ceased allocating funding in 2023. These savings also reduce funding from the Ministry for Culture and Heritage available for Matariki public holiday activities by 45 per cent. Ongoing funding of \$3 million operating per annum has been retained for Matariki activities.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Arts, Culture and Heritage	(5.674)	(9.658)	(6.071)	(5.972)	(9.299)	(36.674)	-

#### New Zealand Film Commission

This savings initiative reduces funding available for the New Zealand Film Commission by approximately 7.5 per cent. Approximately \$5 million operating per annum of baseline Crown funding remains for the New Zealand Film Commission.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Arts, Culture and Heritage	-	(0.405)	(0.405)	(0.405)	(0.405)	(1.620)	-

### **New Zealand Symphony Orchestra**

This savings initiative returns funding distributed to the New Zealand Symphony Orchestra. This will reduce operational expenses and be partially offset by forecast revenue increases.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Arts, Culture and Heritage	-	(0.363)	(0.363)	(0.363)	(0.363)	(1.452)	-

### **Ngā Taonga Sound and Vision**

This savings initiative returns funding distributed to Ngā Taonga Sound and Vision. This will reduce operational expenses, including personnel costs.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Arts, Culture and Heritage	-	(0.621)	(0.621)	(0.621)	(0.621)	(2.484)	-

# Attorney-General

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(11.414)	(45.656)	-
<b>Total</b>	<b>(11.414)</b>	<b>(45.656)</b>	<b>-</b>

## Savings and Revenue

### Baseline Savings and Revenue

#### Crown Law Office Workforce Reduction

This savings initiative returns funding by scaling down Crown Law’s corporate and legal support, and system leadership functions. The funding reduction is achieved through reducing workforce and associated personnel costs and expenditure on contractors and consultants.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Attorney-General	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

### Return of Tagged Contingencies

#### Crown Prosecution Services

This savings initiative returns funding previously held in contingency for improving the sustainability of the Crown Solicitor network as well as the criminal appeals conducted by Crown Law.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(4.184)	(8.368)	(8.368)	(8.368)	(8.368)	(37.656)	-

## Building and Construction

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	6.958	27.833	-
Savings and Revenue	(9.288)	(37.152)	(10.000)
<b>Total</b>	<b>(2.330)</b>	<b>(9.319)</b>	<b>(10.000)</b>

## New Government Commitments

### Temporary Accommodation Service – 2023 North Island Weather Events

This initiative provides further time-limited funding to the Temporary Accommodation Service (TAS) to support households who are still displaced by Cyclone Gabrielle and the January 2023 Auckland floods.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Building and Construction	-	20.234	7.599	-	-	27.833	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Policy Advice Building and Construction

This savings initiative returns funding for Building and Construction Policy Advice. This saving relates to finding efficiencies through a reduction in back-office policy functions.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Building and Construction	-	(0.100)	(0.100)	(0.100)	(0.100)	(0.400)	-

#### Residential Earthquake-prone Building Financial Assistance Scheme and Remediation Support Services

This savings initiative returns funding for the Residential Earthquake-prone Building Financial Assistance Scheme and Remediation Support Services Pilot. This saving is from the previously announced winding down of these schemes.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Building and Construction	(6.100)	(2.358)	(1.500)	(1.500)	(1.500)	(12.958)	(10.000)

#### Weathertight Homes Resolution Service

This savings initiative returns funding from the Weathertight Homes Resolution Service. This service is transitioning towards closure over the next five years, and savings arise from finding efficiencies in operations with no reduction in service levels.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Building and Construction	(1.500)	(1.300)	(0.200)	(0.200)	(0.200)	(3.400)	-

## Business, Science and Innovation

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	12.000
New Government Commitments	152.176	608.704	900.000
Savings and Revenue	(332.470)	(1,329.881)	(987.600)
<b>Total</b>	<b>(180.294)</b>	<b>(721.177)</b>	<b>(75.600)</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## New Government Commitments

### Regional Development – Funding to Support Economic Development Opportunities in Regional New Zealand

This initiative provides ongoing funding for the departmental operating costs of Kānoa – Regional Economic Development & Investment Unit to enable robust ongoing contract management, monitoring and evaluation for its investment portfolio beyond 30 June 2024. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	22.000	22.000	22.000	22.000	88.000	-

### Regional Infrastructure Fund

This initiative provides funding held in contingency for the Regional Infrastructure Fund. The Fund will invest in infrastructure to improve resilience, increase productivity and grow regional economies.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	100.000	100.000	100.000	-	300.000	900.000

### New Zealand Screen Production Rebate – International

This initiative provides funding to cover shortfalls for the New Zealand Screen Production Rebate – International to ensure anticipated obligations are met. Forecast expenditure is uncertain for the rebate, and time-limited funding provides an opportunity for costs to be considered in future Budgets.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	67.014	24.916	21.831	-	-	113.761	-

### Geohazard Information Services – GeoNet, the National Seismic Hazard Model and the 24/7 National Geohazard Monitoring Centre

This initiative provides sustainable funding for GeoNet (New Zealand's earthquake, volcano, tsunami, and landslide monitoring), the National Seismic Hazard Model (a ground shaking model), and the 24/7 National Geohazards Monitoring Centre. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	30.778	26.055	26.055	24.055	106.943	-

### Wellington Office Accommodation Project for the Public Service

This initiative provides funding to establish a project team to manage the Wellington office accommodation project which aims to find efficiencies and greater effectiveness across the Wellington government office accommodation footprint, which is expected to generate savings.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	2.499	2.499	2.499	1.250	8.747	-

# Savings and Revenue

## Baseline Savings and Revenue

### Accelerator Wood Processing Growth Fund

This savings initiative returns funding for the Accelerator Wood Processing Growth Fund, which supports increased domestic wood processing capacity. \$35 million total capital funding remains in this fund.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	-	-	-	-	-	(10.000)

### Circular Economy and Bioeconomy Strategy

This savings initiative returns funding for the Circular Economy and Bioeconomy Strategy, which is being stopped as it is considered a low-value programme when compared with other work on climate change.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.300)	-	-	-	(0.300)	-

### Commerce and Consumer Affairs

This savings initiative returns funding from the Commerce and Consumer Affairs portfolio. The savings are delivered through reduced domestic travel, training budgets, recruitment costs, events or conferences, and contractor and consultant expenditure. Additionally, there will be reduced funding for the New Zealand Claims Resolution Service, which reflects a reduction in demand for the service.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.847)	(0.847)	(0.847)	(0.847)	(3.388)	-

### Commerce Commission

This savings initiative returns funding from the Commerce Commission. The savings are delivered through reduced contractor and consultant expenditure, a slowing of activities on the fuel and retail payment regulatory regimes as well as competition studies, and efficiency gains across the Commission.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(3.437)	(3.437)	(3.437)	(3.437)	(13.748)	(3.000)

### Digital Data and Insights

This savings initiative returns funding from the Digital Data and Insights functions at the Ministry of Business, Innovation and Employment. This saving relates to general operational efficiencies and a reduction in discretionary spending for back-office data and insights, digital and technology functions delivered by the Digital Data and Insights group at the Ministry of Business, Innovation and Employment.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.219)	(1.219)	(1.219)	(1.219)	(4.876)	-
Building and Construction	-	(0.483)	(0.483)	(0.483)	(0.483)	(1.932)	-
Labour Market	-	(2.688)	(2.688)	(2.688)	(2.688)	(10.752)	-

## Disestablishing the Consumer Advocacy Council

This savings initiative returns funding by disestablishing the Consumer Advocacy Council, which advocates for change in the energy sector on behalf of residential and small business consumers. This closure will begin in the 2024/25 financial year, with the Consumer Advocacy Council being fully disestablished by the 2025/26 year. There are alternative groups that participate in regulatory decision making in the electricity sector.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.991)	(1.597)	(1.597)	(1.597)	(5.782)	-

## Emergency Caller Location Information

This savings initiative returns funding for the Emergency Caller Location Information service by decreasing reliance on contractors without any reduction in service levels.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

## Enablement Services

This savings initiative returns funding for Enablement Services at the Ministry of Business, Innovation and Employment which refers to corporate services, finance and other enablement services like human resources, legal services, and communications that provide support to the agency and its business groups. This saving relates to efficiencies in back-office functions, including property, information technology, data and insights, legal services, human resources, finance, communications, and strategy that are proportionate to other reductions within the Ministry. It also relates to reduced spending on contractors and consultants.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(6.101)	(5.857)	(6.347)	(6.497)	(24.802)	-
Building and Construction	-	(2.370)	(2.275)	(2.469)	(2.528)	(9.642)	-
Labour Market	-	(12.729)	(12.238)	(13.324)	(13.645)	(51.936)	-

## Energy Portfolio Programmes

This savings initiative returns funding from Energy portfolio programmes administered by the Ministry of Business, Innovation and Employment. It scales down the Community Renewable Energy Fund, leaving approximately \$5 million operating remaining per annum in the relevant appropriation, and the Support for Energy Education in Communities Programme, leaving approximately \$2 million operating per annum remaining in the relevant appropriation. It also includes discontinuing work on the Energy Emissions Reporting Scheme and returning funding for the deployment of small-scale distributed renewable energy and demand response systems. These programmes had not yet commenced and there is no change to current service levels from the return of funding.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(8.970)	(12.300)	(13.000)	(4.000)	(38.270)	-

## Engagement and Experience

This savings initiative returns funding for the Engagement and Experience function at the Ministry of Business, Innovation and Employment, which delivers information and education services to customers through various channels. This saving relates to general operational efficiencies and internal prioritisation in regulatory information and education service delivery functions, and the winding down of work not aligned to the Government's priorities.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(1.903)	(2.961)	(2.741)	(2.741)	(0.763)	(11.109)	-
Building and Construction	(1.297)	(1.901)	(1.789)	(1.789)	(0.775)	(7.551)	-
Labour Market	(1.040)	(1.307)	(1.240)	(1.240)	(0.633)	(5.460)	-

## Evidence and Insights

This savings initiative reduces funding available for research and data analytics servicing for the Economic Development portfolio. Approximately \$3 million operating per annum of funding remains for research and data analytics servicing for the Economic Development portfolio.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.260)	(0.260)	(0.260)	(0.260)	(1.040)	-

## External Reporting Board

This savings initiative returns funding for the External Reporting Board. This saving relates to finding efficiencies through a reduction in research expenses associated with board/technical committees and reduced spending on contractors and consultants.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.675)	(0.675)	(0.675)	(0.675)	(2.700)	(1.100)

## Financial Markets Authority

This savings initiative returns funding for the Financial Markets Authority. This saving relates to finding efficiencies through limiting office improvements, a reduction in travel and staff engagement back-office functions and reduced spending on contractors and consultants. Approximately \$74 million operating remains per annum within the relevant appropriation for activities relating to the Financial Markets Authority.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.740)	(1.740)	(1.740)	(1.740)	(6.960)	-

## Government Centre for Dispute Resolution

This savings initiative returns funding from the closure of the Government Centre for Dispute Resolution, which has delivered its function to support dispute resolution capability across government.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.840)	(0.840)	(0.840)	(0.840)	(3.360)	-

## Government Property Group

This savings initiative returns funding for the Government Property Group. This saving was found through a reduction in back-office functions by reducing spending on consultants and contractors and the closure of the Manukau Hub Programme.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(1.400)	(0.600)	(0.600)	(0.600)	(0.600)	(3.800)	-

## Innovation Programme for Tourism Recovery Fund

This savings initiative returns funding from the Tourism and Hospitality portfolio for unspent funding from the Innovation Programme for Tourism Recovery Fund.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(10.300)	(1.500)	-	-	-	(11.800)	-



### Insolvency and Trustee Service Revenue

This revenue initiative returns Crown funding for the Insolvency and Trustee Service. This initiative substitutes Crown funding for third-party revenue to align the costs of the services to their primary users. There will be no change to current service levels. The revenue will be collected by way of a levy on all companies as part of their annual return.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	-	(1.560)	(1.560)	(1.560)	(4.680)	-

### Just Transitions Programme

This savings initiative returns uncommitted funding for the Just Transitions programme. All existing Just Transitions contracts will be honoured and will continue to deliver their intended benefits.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(3.710)	(2.494)	(1.885)	(2.190)	(10.279)	-

### Major Events Fund

This savings initiative returns funding from the Major Events Fund, with no impact on, existing contracts. Approximately \$15 million operating per annum of funding for the Major Events Fund remains.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.940)	(1.940)	(1.940)	(1.940)	(7.760)	-

### New Zealand Emissions Trading Scheme Market Governance

This savings initiative returns funding for New Zealand Emissions Trading Scheme market governance improvements.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.083)	(0.839)	(0.874)	-	(2.796)	-

### New Zealand Government Procurement

This savings initiative returns funding from New Zealand Government Procurement, a system lead function that lifts procurement capability and performance across the public sector. Approximately \$4 million operating per annum of funding remains in the relevant category of the appropriation.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.500)	(0.500)	(0.500)	(0.500)	(2.000)	-

### New Zealand Trade and Enterprise Operational Funding and International Growth Fund

This savings initiative returns funding from New Zealand Trade and Enterprise (NZTE) and the International Growth Fund. Approximately \$216 million operating per annum of funding remains for NZTE's operational activities.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(13.500)	(8.000)	(8.000)	(6.000)	(35.500)	-

### Ngā Haerenga New Zealand Cycle Trails Great Rides Revenue

This savings initiative returns Crown funding for the Ngā Haerenga New Zealand Cycle Trails Great Rides. Alternative revenue for the ongoing support and delivery of this programme will be provided by the proposed increases to the International Visitor Conservation and Tourism Levy to align the costs of the services to their users. There will be no change to current service levels.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(3.000)	(3.000)	(3.000)	(3.000)	(12.000)	-

### North Island Weather Events Primary Producer Finance Scheme

This savings initiative returns uncommitted funding from the North Island weather events Primary Producer Finance Scheme. The fund has been scaled due to lower-than-expected demand and closed to new applicants from 1 March 2024. Approximately \$55 million has been distributed to projects in 2023/24, while approximately \$86 million has been allocated to projects and is yet to be distributed.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	-	-	-	-	-	(40.000)

### Operation of the Future of Work Forum

This savings initiative returns funding for the Operation of the Future of Work Forum, which has been disestablished. Social partners who were involved with the Future of Work Forum will continue to be engaged with where appropriate.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.700)	(0.700)	(0.700)	(0.700)	(2.800)	-

### Pacific Business Procurement Support Service

This savings initiative returns funding for the Pacific Business Procurement Support Service. Procurement support will continue to be provided by the New Zealand Government Procurement function.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.250)	(1.250)	(1.250)	(1.250)	(5.000)	-

### Policy Advice Economic Development

This savings initiative returns funding for the Economic Development policy advice and ministerial services functions at the Ministry of Business, Innovation and Employment. Approximately \$20 million operating per annum of funding remains in the relevant appropriation.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(2.360)	(2.210)	(2.190)	(2.190)	(8.950)	-

### Science, Innovation and Technology Portfolio

This savings initiative returns funding from the Science, Innovation and Technology portfolio. This is comprised of a combination of time-limited and permanent saving reductions.

The majority of the time limited funding is from stopping the temporary In-Year Payments loan scheme for the Research and Development Tax Incentive (RDTI) (\$147 million operating and \$533.5 million capital). The temporary In-Year Payments loan scheme was introduced in March 2023 to improve cashflow from the RDTI for Research & Development (R&D) performing businesses by providing a loan while businesses waited for the RDTI tax credit to be issued. This was a temporary mechanism while a permanent solution for providing in-year payments was developed by Inland Revenue. However, due to administrative complexities the temporary scheme is providing low value for money. The conclusion of the temporary In-Year payments loan scheme will not decrease the tax credit provided through the RDTI, and approximately \$772.1 million operating per annum will remain in the RDTI, excluding the remainder of the in-year payments funding.

The other time-limited savings reductions are from: Wellington Science City (\$3.4 million), Digital Industry Transformation Plan (ITP) KiwiSaas (software-as-a-service) Project (\$1 million), R&D Project Grants (\$2 million) and the R&D Student Grant (\$3 million).

The permanent savings reduction is from reducing funding across the Endeavour (\$9.75 million from 2027/28), Marsden (\$3.09 million from 2027/28), Health Research (\$4.91 million from 2027/28) and Strategic Science Investment funds (\$17.75 million from 2027/28). Approximately \$756 million total operating funding will remain across these funds from 2027/28 after taking into account reprioritisation decisions due to the National Science Challenge finishing in June 2024. In addition, approximately \$173.38 million over the forecast period is being returned due to the conclusion of the National Science Challenges, and \$4.4 million over the forecast period will be returned from closing policy vacancies and voluntary redundancies.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(87.510)	(106.232)	(61.738)	(28.100)	(86.100)	(369.680)	(533.500)

### Senior Diverse Leaders: Capability Building Pilot

This savings initiative returns funding for the Senior Diverse Leaders: Capability Building Pilot, which is being stopped as the pilot has ended. The Public Service Commission retains responsibility for supporting diverse leadership across the public sector.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.350)	(0.350)	(0.350)	(0.350)	(1.400)	-

### Small Business Enabling Services

This savings initiative returns funding for Small Business Enabling Services. This saving reduces funding available to the Small Business Enabling Services provided by the Ministry of Business, Innovation and Employment by 6 per cent. This does not result in services being discontinued as approximately \$36 million operating per annum of funding remains in the relevant appropriations.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(3.670)	(2.890)	(2.890)	(2.890)	(12.340)	-

### Strategy, Performance and Design

This savings initiative returns funding for the Strategy, Performance and Design branch, which supports prioritisation of work, delivery of strategic outcomes and alignment with financial obligations at the Ministry of Business, Innovation and Employment. This saving relates to back-office savings from general operational efficiencies, scaling of information technology spending and a reduction in workforce in the Strategy, Performance and Design branch.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(0.065)	(0.599)	(0.599)	(0.599)	(0.599)	(2.461)	-
Building and Construction	(0.041)	(0.307)	(0.307)	(0.307)	(0.307)	(1.269)	-
Labour Market	(0.024)	(0.184)	(0.184)	(0.184)	(0.184)	(0.760)	-

### Te Ara Ahunga Ora Retirement Commission

This savings initiative returns funding for Te Ara Ahunga Ora Retirement Commission. This saving relates to finding efficiencies through a reduction in marketing and research back-office functions, slowing certain programmes and reduced spending on contractors and consultants. Approximately \$8 million operating per annum remains in the relevant appropriation for the Commission.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.400)	(0.400)	(0.400)	(0.400)	(1.600)	-

### Tourism Back-Office Functions

This savings initiative returns funding from Tourism. This saving finds efficiencies through a reduction in the back-office functions of the Tourism department and is achieved through closing vacant positions.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(1.234)	(0.978)	(0.918)	(0.850)	(3.980)	-

### Tourism New Zealand, Marketing New Zealand as a Tourist Destination

This savings initiative returns funding for Tourism New Zealand, Marketing New Zealand as a Visitor Destination. Part of the marketing funding will instead be provided by the International Visitor Conservation and Tourism Levy to align the cost of the services to the benefitting industry.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(5.743)	(5.622)	(4.497)	(4.497)	(20.359)	-

### Tui Oil Field Decommissioning

This savings initiative returns funding from the Tui Oil Field decommissioning project now that the substantive part of the project is complete.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(100.000)	-	-	-	-	(100.000)	-

### Tupu Tai Internship Programme

This savings initiative returns funding for the Tupu Tai Internship Programme. Approximately \$0.5 million operating per annum of funding remains in the appropriation.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

## Further Savings and Revenue Measures

### Energy Efficiency and Conservation Authority

This savings initiative returns funding for the Energy Efficiency and Conservation Authority (EECA). Savings result from discontinuing new elements of Warmer Kiwi Homes, including funding for hot water heating, low-cost energy efficiency measures, an LED lighting scheme, and community-focused outreach programme to target hard-to-reach households. Approximately \$91 million operating per annum remains until 2026/27 to support the core heating/insulation and basic home repairs components of Warmer Kiwi Homes are being retained. It also stops the Low Emissions Transport Fund Freight Decarbonisation Grants programme and scales down other programmes and EECA operational expenditure.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(47.793)	(51.084)	(64.799)	(14.846)	(178.522)	-

### International Visitors Levy – Increased Revenue

This revenue initiative relates to an estimated increase in additional revenue collected from the International Visitor Conservation and Tourism Levy (IVL) following public consultation, which is currently underway. The forecast revenue increase reflects the mid-point of the proposed range under consultation. The increase in revenue has been incorporated in the Treasury's fiscal forecasts based on the likelihood of the decision happening, therefore this increase in revenue forms part of the Budget 2024 operating package.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation and Conservation	-	(50.021)	(70.627)	(70.627)	(70.627)	(261.902)	-

## Return of Tagged Contingencies

### Equitable Transitions Package – Regional Hydrogen Industry Transition

This savings initiative returns funding held in contingency for the Regional Hydrogen Industry Transition programme. Further policy work will be undertaken on hydrogen.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(5.000)	(10.000)	(10.600)	(10.600)	(36.200)	-

## Capital Review Savings

### Wellington Science City

This savings initiative returns funding held in contingency for the Wellington Science City project. This project is no longer being progressed.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(1.250)	(12.000)	(16.000)	(17.000)	(16.500)	(62.750)	(400.000)

## Communications Security and Intelligence

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(9.056)	(36.222)	-
<b>Total</b>	<b>(9.056)</b>	<b>(36.222)</b>	<b>-</b>

## Savings and Revenue

### Baseline Savings and Revenue

#### Government Communications Security Bureau Expenditure

This savings initiative returns funding from the Government Communications Security Bureau by making efficiencies in areas including contractor and consultant spending, training and development, and travel.

This initiative contributes to the baseline savings target for the Government Communications Security Bureau.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Communications Security and Intelligence	-	(7.620)	(7.620)	(7.620)	(7.620)	(30.480)	-

### Return of Tagged Contingencies

#### Building Critical Cyber Resilience

This savings initiative returns funding held in contingency to expand the mandate of the Government Chief Information Security Officer (GCISO). The existing GCISO mandate will not change and baseline funding for this function remains.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(0.453)	(1.717)	(1.786)	(1.786)	(5.742)	-

## Conservation

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	1.029	4.114	13.800
Savings and Revenue	(33.027)	(132.109)	(2.185)
<b>Total</b>	<b>(31.999)</b>	<b>(127.995)</b>	<b>11.615</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Savings and Revenue

### Baseline Savings and Revenue

#### Contaminated Sites Programme

This savings initiative returns funding for the Contaminated Sites Programme, which has been scaled to manage and remediate contaminated sites more gradually. Approximately \$2 million operating per annum of funding for the Contaminated Sites Programme remains.

This initiative contributes to the baseline savings target for the Department of Conservation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Conservation	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

#### Contractors, Consultants and Back-office Reduction – Department of Conservation

This savings initiative returns funding for contractors, consultants and back-office functions at the Department of Conservation.

This initiative contributes to the baseline savings target for the Department of Conservation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Conservation	-	(11.257)	(11.257)	(11.257)	(11.257)	(45.028)	-

#### Jobs for Nature Programme

This savings initiative returns uncommitted funding for the Jobs for Nature Programme, which is due to be completed in 2026.

This initiative contributes to the baseline savings target for the Department of Conservation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Conservation	-	(15.360)	(13.360)	(13.360)	(13.360)	(55.440)	-

#### Kermadec Ocean Sanctuary

This savings initiative returns funding for the Kermadec Ocean Sanctuary as it is no longer Government policy to progress this initiative.

This initiative contributes to the baseline savings target for the Department of Conservation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Conservation	(0.535)	(7.299)	(3.089)	(3.089)	(3.089)	(17.101)	(2.185)

#### Legal, Regulatory Services and Strategic Partnerships Reduction – Department of Conservation

This savings initiative reduces operating funding for Legal, Regulatory Services and Strategic Partnerships functions at the Department of Conservation.

This initiative contributes to the baseline savings target for the Department of Conservation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Conservation	-	(1.635)	(1.635)	(1.635)	(1.635)	(6.540)	-

## Corrections

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	252.107	1,008.428	9.600
New Government Commitments	12.000	48.000	30.000
Savings and Revenue	(110.481)	(441.922)	-
<b>Total</b>	<b>153.627</b>	<b>614.506</b>	<b>39.600</b>

Note: A total of \$1.9 billion operating and capital was announced for Vote Corrections on 6 May 2024. The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Corrections Critical Frontline Remuneration

This initiative provides funding for critical frontline remuneration pressures, including remuneration increases for staff and contracted service partnerships, to maintain safe and effective Corrections services.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	6.530	43.340	51.790	51.800	51.800	205.260	-

### Prisoner Population – Responding to Increasing Prisoner Numbers

This initiative provides operating and capital funding for the additional costs associated with the increasing number of people in prison, including funding to hire additional frontline staff at Corrections. Funding is also held in contingency for investment in additional capacity in the prison network by expanding Waikeria Prison by three accommodation units to contribute towards managing a growing prisoner population.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	19.806	199.321	204.758	193.034	186.249	803.168	9.600

## New Government Commitments

### Corrections Rehabilitation Programmes – Extending to Remand Prisoners

This initiative provides funding held in contingency to deliver rehabilitative and reintegration services to people on remand. The funding will be drawn down pending a comprehensive review of rehabilitation services and an implementation plan based on this review.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	12.000	16.000	20.000	48.000	30.000

## Savings and Revenue

### Baseline Savings and Revenue

#### Asset Stewardship and Management Expenditure

This savings initiative returns funding from the optimisation and scaling of asset stewardship and management activities at the Department of Corrections. This saving relates to asset utilisation changes, a review of core asset management levels and property lease reduction.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	-	(17.100)	(17.100)	(17.100)	(17.100)	(68.400)	-



### Back-Office Support Expenditure

This savings initiative returns funding from the optimisation and scaling of back-office support services at the Department of Corrections. This saving relates to finding efficiencies, including review of back-office vacancies, review of contractors and consultants, efficiencies in payroll processes and annual leave liability reduction.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	-	(43.100)	(43.100)	(43.100)	(43.100)	(172.400)	-

### Corrections Operations Expenditure Optimisation

This savings initiative returns funding from finding efficiencies in the Department of Corrections custodial and community-based operating models. This initiative improves the efficiency of operations through review and refinement of operating models and removal of duplication with no reduction in service levels.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	-	(5.355)	(5.189)	(5.189)	(5.189)	(20.922)	-

### High Impact Innovation Programme

This savings initiative returns funding from scaling down the High Impact Innovation Programme, which provides project management, change, design and advisory services for the Justice sector. This saving reduces the level of this type of support that will be provided across Justice sector activities.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	-	(3.590)	(4.070)	(4.070)	(4.070)	(15.800)	-

### Optimising Service Delivery Expenditure

This savings initiative returns funding from the optimisation and scaling of health, education, rehabilitation, employment, housing, and reintegration services provided by the Department of Corrections. This initiative involves a review of services and interventions to provide a more focused service offering to respond to the changing needs of the population.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Corrections	-	(41.100)	(41.100)	(41.100)	(41.100)	(164.400)	-

## Courts

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	6.574	26.294	105.004
Savings and Revenue	(28.047)	(112.189)	-
<b>Total</b>	<b>(21.474)</b>	<b>(85.895)</b>	<b>105.004</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## New Government Commitments

### Responding to Gang Harm

This initiative provides funding for Courts to implement the Government's crackdown on gangs, which includes the banning of gang insignia in public places, greater powers to stop gangs associating and giving greater weight to gang membership at sentencing. Funding will provide for additional frontline support.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Courts	-	2.433	2.083	2.083	2.083	8.682	-
Justice	-	-	-	-	-	-	0.246

### Tougher Approaches to Sentencing

This initiative provides funding for Courts to implement the Government's tougher approach to sentencing, including the reintroduction of the three strikes regime. Funding will provide for additional frontline support and case management systems changes.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Courts	-	1.669	1.035	1.035	1.035	4.774	-
Justice	-	-	-	-	-	-	0.921

## Savings and Revenue

### Baseline Savings and Revenue

#### Court and Coronial Services Initiatives with Low Demand

This savings initiative returns funding for Court interpreters, specialist services and coronial medical reports due to demand for these services being lower than expected when first funded.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Courts	-	(2.893)	(0.400)	(0.128)	(0.128)	(3.549)	-

#### Courts and Tribunals Fees Revenue

This savings initiative partially replaces Crown funding provided to operate selected Court services. The changes adjust most court and tribunal fees for inflation, making them consistent with the real cost increases of the relevant fee at the time it was last set.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Courts	-	(5.267)	(6.759)	(7.719)	(8.679)	(28.424)	-

### Court Fines and Legal Aid Debt Collection Changes

This revenue initiative generates revenue by increasing fees and related costs for filing, enforcement and collection of fines by the Courts and will increase debt recovered from legally aided persons through operational changes to collection activities.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Courts	-	(5.326)	(9.984)	(12.638)	(14.468)	(42.416)	-
Justice	-	(0.175)	(0.180)	(0.306)	(0.306)	(0.967)	-

### Lifting Cultural Capability

This savings initiative reduces funding available for the Ministry of Justice's Cultural Capability programme. Approximately \$1 million operating per annum of funding for the Cultural Capability programme remains.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Courts	-	(0.928)	(1.250)	(1.250)	(1.250)	(4.678)	-

# Customs

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(1.200)	(4.800)	-
<b>Total</b>	<b>(1.200)</b>	<b>(4.800)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### New Zealand Customs Service Discretionary Expenditure

This savings initiative returns funding for discretionary expenditure including contractors, consultants, and travel at the New Zealand Customs Service.

This initiative contributes to the baseline savings target for the New Zealand Customs Service.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Customs	-	(1.200)	(1.200)	(1.200)	(1.200)	(4.800)	-

## Defence

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(2.000)	(8.000)	-
<b>Total</b>	<b>(2.000)</b>	<b>(8.000)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Ministry of Defence Back-Office Functions

This savings initiative returns funding from the Ministry of Defence's baseline by reducing its use of contractors and consultants, personnel resource and other expenditure across its activities.

This initiative contributes to the baseline savings target for the Ministry of Defence.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

## Defence Force

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	73.653	294.612	-
New Government Commitments	31.645	126.580	281.090
Savings and Revenue	(24.798)	(99.190)	-
<b>Total</b>	<b>80.501</b>	<b>322.002</b>	<b>281.090</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Defence Force Remuneration

This initiative provides an increase to Military Factor, which includes compensation for short notice postings, undertaking arduous and hazardous duties, exposure to adverse working environments exclusive to military life and exercise of military skills not recognised by market comparisons. It also provides increased funding for the Sustainment Allowance paid to deployed personnel.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	40.750	40.750	40.750	40.750	163.000	-

### Depreciation Expense Arising from Asset Revaluation

This initiative provides funding for an increase in the annual depreciation expense resulting from the upward revaluation of the New Zealand Defence Force's land, buildings and infrastructure.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	31.903	31.903	31.903	31.903	127.612	-

### Services to Veterans – Ensuring Effective and Timely Delivery

This initiative provides funding to enable Veterans' Affairs to reduce the average waiting time for veterans' claims for support, target the clearance of 10 per cent of the existing claims backlog, and enable reinstatement of discretionary Veterans Independence Programme services for veterans over 80 years old and those with terminal illness.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	1.000	1.000	1.000	1.000	4.000	-

## New Government Commitments

### Homes for Families

This initiative provides funding to deliver 35 leased homes to support the operation of Devonport Naval Base. This investment will replace the housing at Devonport and the North Shore as it is progressively transferred to iwi groups under Treaty settlement legislation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	1.000	2.000	2.000	2.000	7.000	-

### Improving Protection Against Maritime Threats

This initiative provides funding held in contingency for a subscription to a cloud-based computer application that provides a real-time picture of what is happening in New Zealand's maritime domain. This will be operated by the National Maritime Coordination Centre and be accessible to government agencies. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

### Military Operational Vehicles

This initiative provides funding held in contingency to purchase a first tranche of new Utility vehicles and modern military communications systems for the New Zealand Defence Force to support deployments overseas, respond to disaster events and support domestic and training needs in New Zealand. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

### Modernising Devices and Productivity Tools

This initiative provides funding held in contingency to fund the replacement of outdated desktop terminals with mobile devices to improve productivity, provide new meeting room technology and provide an ability to collaborate anywhere, any time to support mobile ways of working. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

### NH90 Helicopter Upgrade: Navigation and Secure Radios

This initiative provides funding held in contingency to procure and install new navigation and communication equipment on the eight Royal New Zealand Air Force NH90 helicopters. This initiative is part of the Operational Regulatory Compliance Systems Project. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

### Upgrading the Regional Supply Facility and Logistics Model at Linton Military Camp

This initiative provides funding held in contingency to construct the third building within the Consolidated Logistics Project. This funding will deliver the Linton Regional Supply Facility, a centralised warehouse to house the deployable supply company, regional equipment pool, camp quartermaster store and goods distribution function for Linton Camp. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

### Upgrading Digital Services

This initiative provides funding held in contingency for the first phase of a two-phase initiative to upgrade the New Zealand Defence Force's classified environment. The figures have been withheld due to commercial sensitivities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

# Savings and Revenue

## Baseline Savings and Revenue

### New Zealand Defence Force Back-Office Functions

This savings initiative reduces spending on non-operational (back-office) functions, with the majority of savings resulting from reductions in contractors, consultants and travel.

This initiative contributes to the baseline savings target for the New Zealand Defence Force.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	(18.200)	(23.150)	(24.150)	(24.150)	(89.650)	-

### Lower Value Programmes and Activities

This savings initiative reduces spending on lower value programmes and activities including commercial vehicle fleets and further reductions in local travel.

This initiative contributes to the baseline savings target for the New Zealand Defence Force.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Defence Force	-	(2.385)	(2.385)	(2.385)	(2.385)	(9.540)	-



## Education

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	22.663	90.651	543.500
New Government Commitments	540.518	2,162.073	135.125
Savings and Revenue	(110.059)	(440.236)	(0.527)
<b>Total</b>	<b>453.122</b>	<b>1,812.488</b>	<b>678.098</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Christchurch Schools' Rebuild

This initiative provides funding for the final stages of the Christchurch Schools' Rebuild Programme following the 2010 and 2011 earthquakes. Once complete, the programme will have addressed damage at 115 schools across the Christchurch School Network.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	3.750	9.130	10.760	10.760	34.400	143.500

### School Property Portfolio Growth

This initiative provides funding to address critical growth pressures within the school network by delivering additional student capacity in high-growth areas. This funding will be allocated across priority new school projects, land acquisition and adding additional capacity at existing schools via the Ministry of Education's English Medium and Learning Support roll growth programmes. This will add approximately 8,000 student places to the school network.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	4.688	14.063	18.750	18.750	56.251	400.000

## New Government Commitments

### Digital Services – Equipment Replacement and Cyber Security

This initiative provides funding to maintain existing information and communication technology (ICT) infrastructure and services in schools, which are foundational to the delivery of the Cyber Security and Digital Services programme. The initiative provides funding for: email protection to block malicious emails to schools, domain name services to provide websites to schools, Microsoft and Google licensing, Security Operations Centre to monitor and address security threats and Netsafe cyber safety training. The Crown company Network for Learning (N4L) is contracted to deliver a number of these services on behalf of the Ministry of Education. N4L also requires additional funding to meet the cost pressures for ICT network equipment replacement and support. This initiative addresses previously time-limited funding for these services. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	22.517	24.356	25.111	21.684	93.668	69.310

### Early Childhood Education Cost Adjustment

This initiative provides funding for a cost adjustment of 2 per cent to the Early Childhood Education (ECE) Subsidy for under two-year-olds, ECE Subsidy for two-year-olds and over, 20 Hours ECE and Equity Funding (all components) from 1 January 2025. It also includes a 2 per cent adjustment to Targeted Funding for Disadvantage from 1 March 2025, which is a portion of ECE funding available to services with a higher portion of children from disadvantaged backgrounds. This initiative will assist ECE services in managing the increasing costs of provision while maintaining quality and affordable early learning for children, parents and whānau.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	26.219	54.167	54.699	55.793	190.878	-

### English for Speakers of Other Languages

This initiative provides additional funding for schools to support rapidly increasing numbers of students from migrant backgrounds to learn English and engage with learning. English for Speakers of Other Languages funding is \$780 per year per approved student in Years 0 to 8 and \$1,000 per year per student in Years 9 to 13. It enables schools to provide a range of supports to migrant background students such as intensive literacy support and online English programmes.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	11.314	11.314	11.314	11.314	45.256	-

### Holidays Act Remediation for School Employees – Updated Liability Estimate

This initiative provides funding for Holidays Act remediation by the Ministry of Education on behalf of 2,500 schools and for more than 235,000 current and former employees to meet its legal obligations. The Ministry has revised its liability estimate for payments for specialist and support staff across all leave types covered by the Holidays Act and for family violence leave, bereavement leave, alternative holidays, public holidays and sick leave for teachers. The Ministry has also estimated the previously unquantified liability for teachers' annual holidays. The revised estimate now includes payments for teachers' annual holidays and the \$32.200 million funding in 2023/24 recognises an increase in the liability estimate. The funding meets financial compliance (accounting standard) requirements for such liabilities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	32.200	-	-	-	-	32.200	-

### Ikura | Manaakitia te Whare Tangata – Period Products in Schools

This initiative provides funding for the continuation of the Ikura | Manaakitia te Whare Tangata – Period Products in Schools programme. This programme provides access to free period products for children and young people in all state and state-integrated schools and kura across New Zealand. Charter schools will be able to opt into the programme. This reduces barriers to school attendance and sports involvement, reduces financial strain on families and whānau and reduces stigmatisation of menstruation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	2.886	3.518	3.930	4.137	14.471	-

### Ka Ora, Ka Ako | Healthy School Lunches Programme – Continuing Beyond 2024

This initiative provides funding to continue the Ka Ora, Ka Ako | Healthy School Lunches Programme for students from Years 0 to 6, and introduce an alternative provision model for students that are Year 7 or older. Funding is provided to the end of the 2026 school year for the wider Healthy School Lunches Programme, while advice is developed on policy settings that better target the initiative, and to design longer-term options that ensure investment adds to and complements private and non-government sector provision. Additionally, this initiative provides \$8.000 million of funding to introduce a targeted early childhood food programme until the end of the 2026 school year.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	119.164	238.111	119.083	-	476.358	1.200

### Kōhanga Reo Property Maintenance

This initiative provides funding to assist with property maintenance and upgrade cost pressures in kōhanga reo early learning services. Including existing funding of \$5.280 million operating per annum, this will provide ongoing funding of \$8.280 million operating per annum for kōhanga reo property.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	3.000	3.000	3.000	3.000	12.000	-

### Marlborough Boys' and Girls' Colleges and Bohally Intermediate Redevelopments – Tagged Contingency

This initiative provides funding held in contingency to complete the Ministry of Education's preferred solution to address priority condition issues at Marlborough Boys' and Girls' Colleges and Bohally Intermediate. Each school has specific investment needs either driven by condition-related failures or deferred capital maintenance and upgrades or a combination of both. This initiative will deliver refurbishments to improve the schools' physical performance in terms of temperature, acoustics, lighting and overall fitness for purpose.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	0.805	2.389	3.168	6.362	64.415

### New Zealand Qualifications Authority Stabilisation of Core Information Technology Systems and National Certificate of Educational Achievement Service Delivery

This initiative provides funding for costs associated with stabilising the New Zealand Qualifications Authority (NZQA) IT systems and to address risks and pressures in delivery of the National Certificate of Educational Achievement (NCEA) Qualification. Up to \$3.500 million will address critical pressure points and risks across the NCEA exam delivery cycle for 2024/25. This funding is time-limited to allow NZQA to address its highest-priority core IT stabilisation issues and have the foundation needed to transition away from its legacy technology. This supports delivery of the NCEA qualification.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	10.000	-	-	-	10.000	-

### Charter Schools | Kura Hourua – Tagged Contingency

This initiative provides funding held in contingency for Charter Schools | Kura Hourua. New charter schools will be created and state schools will have the option to become charter schools. This initiative provides for the establishment of approximately 15 new charter schools and the conversion of approximately 35 state schools to charter schools, along with appropriate support.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	25.223	57.018	35.478	35.371	153.090	0.200

### Playcentre – Sustainable Funding

This initiative provides ongoing funding to increase playcentre funding rates and introduce an additional mechanism to recognise quality in playcentres. This is intended to support playcentre sustainability. The initiative also includes separate ongoing funding for property costs, which is intended to support Playcentre Aotearoa with part of these costs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	2.903	3.337	3.359	3.405	13.004	-

### School High Health Needs Fund

This initiative provides funding to meet the forecast increase in students with high health needs through the School High Health Needs Fund (SHHNF). The funding provides a contribution towards teacher aide support for those students with significant health needs, for example (but not limited to) type one diabetes, incontinence, and seizure-based medical conditions, to safely attend school and develop independence in managing their health conditions. There are more students who meet the criteria for high health needs who need to stay in the SHHNF for longer, meaning that the increased funding will help to meet demand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	1.800	2.879	3.168	3.485	3.834	15.166	-

## School Property Portfolio Depreciation Expenses

This initiative provides additional depreciation funding to maintain and upgrade the school property portfolio. The school property portfolio has recently undergone revaluation, which has contributed to a notable increase in the value of the Ministry of Education's portfolio. Previous depreciation funding did not align with the total value of the portfolio and was insufficient to undertake the necessary repair and upkeep works.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	280.000	200.000	150.000	150.000	780.000	-

## Schools Operational Grant

This initiative provides funding for a cost adjustment of 3 per cent to the equity and isolation index-based components of schools' operational grant funding, and a 2.5 per cent increase to the remaining components of the grant, including base funding for Te Aho o Te Kura Pounamu (the Correspondence School). This funding will enable schools to meet their rising running costs, including staffing (teachers employed above their staffing entitlement and non-teaching staff), curriculum delivery, and other general day-to-day operations such as heat, light and water or repair and maintenance costs. The cost adjustment will take effect from 1 January 2025.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	28.502	57.087	57.053	56.842	199.484	-

## Structured Approaches to Literacy Resources – State and State Integrated Schools

This initiative provides funding for professional learning and development (PLD) (first for all Year 0 to 3 teachers, then Year 4 to 6 teachers), supplementary online training, decodable texts and resources to help teachers use a structured approach to literacy | te reo matatini in kura kaupapa Māori, Māori Medium, state and state-integrated schools. Schools will have a choice of approved provider. Students in the 50 per cent of schools not yet using a structured approach will benefit from this approach. The 50 per cent of schools already using the approach will be further supported. Evaluation data will be gathered throughout using teacher surveys, phonics checks, PLD data, online assessment tool (e-asTTle) data and the Curriculum Insights and Progress Study (CIPS). Significant improvements in literacy measured by CIPS are anticipated after four years.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	18.658	31.998	8.465	7.915	67.036	-

## Teacher Supply Supports

This initiative provides funding to continue to grow and maintain the pipeline of teachers by investing in the on-site training of teachers in state and state-integrated schools, encouraging the relocation of overseas-qualified teachers and New Zealand teachers based overseas and contributing towards overseas recruitment costs for schools and early learning services. Additionally, this funding supports the overseas recruitment of other child-facing education workforces and retention of the current workforce through targeted career development opportunities and continuing a programme that matches beginning teachers with schools experiencing recruitment and retention issues. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	12.260	11.619	11.611	17.135	52.625	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Arts Coordinators

This initiative reprioritises funding by stopping the Arts Coordinators and Arts Online service from 2024/25. This service is no longer required because arts teachers have largely migrated to alternatives such as the Ministry of Education-funded Networks of Expertise as well as informal groups on social media platforms.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(0.178)	(0.178)	(0.178)	(0.178)	(0.712)	-

### Contractors and Consultants

This savings initiative returns funding for contractors and consultants at the Ministry of Education.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(16.690)	(15.830)	(15.090)	(13.970)	(61.580)	-

### Creatives in Schools

This initiative reprioritises funding by stopping the Creatives in Schools programme from 2024/25. This programme was intended to support the arts sector in response to COVID-19 and is no longer required.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(2.893)	(3.293)	(3.293)	(3.293)	(12.772)	-

### Data for Wellbeing – Te Rito Kaitiakitanga Group

This initiative reprioritises funding from the Data for Wellbeing (Te Rito) project, specifically from Te Rito Data Kaitiakitanga Group. The Group was established in 2023/24 to oversee the access and use of data held in Te Rito and to build sector and public confidence that information in Te Rito is safe, secure and accessed only by those with the right to view it. This initiative reprioritises funding related to the establishment of the Group which is no longer required. Ongoing funding of the Group will be funded through the Te Rito project, which has approximately \$13 million operating per annum.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(0.309)	-	-	-	-	(0.309)	-

### Departmental Reprioritisation Through Business Efficiencies

This initiative reprioritises funding from further efficiencies across the Ministry of Education that can be found through reprioritising work and implementing better business processes.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(23.627)	(23.867)	(22.467)	(22.067)	(92.028)	-

### Early Childhood Targeted Assistance for Participation

This initiative reprioritises funding that has been persistently underspent from the Targeted Assistance for Participation (TAP) programme, a package of property assistance grants that contribute to the costs of building new or expanding infrastructure for existing services.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(2.640)	(2.629)	(2.623)	(2.667)	(10.559)	-

### Education Payroll Ltd

This savings initiative returns funding from Education Payroll Ltd efficiency savings across the service, including back-office positions and additional management layers.

This initiative contributes to the baseline savings target for the Ministry of Education

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(1.200)	(1.200)	(1.200)	(1.200)	(4.800)	-

### Laptops for Teachers

This initiative reprioritises funding through more cost-effective delivery of Laptops for Teachers. The Laptops for Teachers initiative provides funding to supply digital devices and user support, including insurance, to principals and teachers. This service has been reviewed for cost efficiency, and savings have been identified by transitioning the programme to a longer lease period. The Laptops for Teachers programme retains approximately \$18 million operating per annum of funding, and will continue to be delivered.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(0.500)	(0.500)	(0.500)	(0.500)	(2.000)	-

### Partnering to Strengthen Māori Education

This initiative reprioritises funding by disestablishing the Secretariat for Te Pae Roa Ministerial Group. The remaining funding of approximately \$4 million operating per annum will be used to re-scope the work to focus on the Government's priorities and to progress a more targeted work programme providing practical support to strengthen the Māori Education pathway. This work programme enables Māori input into sustaining and growing the sector in partnership with government.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(0.892)	(0.800)	(0.800)	(0.800)	(0.800)	(4.092)	-

### Prime Minister's Vocational Excellence Award

This initiative reprioritises funding by discontinuing the Prime Minister's Vocational Excellence Award from 2024/25. It was launched in 2019 to celebrate the achievement of secondary students enrolled in vocational programmes.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(0.168)	(1.050)	(1.050)	(1.050)	(1.050)	(4.368)	-

### Professional Services

This savings initiative returns funding for professional services at the Ministry of Education. Professional services are outsourced services that have been contracted to provide all or part of a business activity or function. These services will be reviewed and options for streamlining or providing services in-house will be considered.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(11.340)	(11.470)	(10.590)	(10.580)	(43.980)	-

### Services Academy National Hui

This initiative reprioritises funding by stopping a 1.5-day event held annually for professional development of 50 to 60 schools and New Zealand Defence Force staff working in Services Academies.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(0.031)	(0.031)	(0.031)	(0.031)	(0.124)	-

### Te Kawa Matakura

This initiative reprioritises funding from Te Kawa Matakura, a qualification focused on mātauranga ā-iwi, from 2023/24. Te Kawa Matakura had low participation and was consistently underspent.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(4.130)	(4.455)	(4.455)	(4.455)	(4.455)	(21.950)	-

### Travel and Meeting-related Expenditure

This savings initiative returns funding for travel and meeting expenditure at the Ministry of Education. This initiative focuses on costs relating to travel and meetings that are not essential in delivering the Government's priorities and/or maintaining the delivery of frontline services and support to schools and students.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(1.260)	(1.260)	(1.260)	(1.260)	(5.040)	-

### Underspends in Early Learning and Schooling Services

This initiative reprioritises funding from persistent underspends from four programmes: Playgroups, Whānau at Home, Early Learning Taskforce and Positive Behaviour for Learning.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(4.050)	(4.050)	(4.050)	(4.050)	(16.200)	-

### Workforce – Ministry of Education

This savings initiative returns funding from a reduction in the total number of full-time equivalent staff at the Ministry of Education through more efficient work practices, changes in organisational structure and stopping some work programmes.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	(37.280)	(38.580)	(36.210)	(36.220)	(148.290)	-

### Further Savings and Revenue Measures

#### 20 Hours Early Childhood Education

This savings initiative returns funding allocated to the Ministry of Education to implement the Budget 2023 expansion of 20 Hours Early Childhood Education (ECE) to two-year-olds as announced in the Mini Budget.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(4.632)	(2.043)	(2.043)	(1.357)	(1.357)	(11.432)	(0.527)

# Education Review Office

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(2.456)	(9.824)	-
<b>Total</b>	<b>(2.456)</b>	<b>(9.824)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Education Review Office Functions

This savings initiative returns funding related to efficiencies achieved through the scaling of personnel and operating expenditure to align with Government priorities.

This initiative contributes to the baseline savings target for the Education Review Office.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education Review Office	-	(2.456)	(2.456)	(2.456)	(2.456)	(9.824)	-



## Environment

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	23.059	92.235	-
Savings and Revenue	(102.116)	(408.465)	-
<b>Total</b>	<b>(79.058)</b>	<b>(316.230)</b>	-

## New Government Commitments

### Resource Management Reforms – Replacement

This initiative provides funding to deliver the Government's resource management reforms, including fast-track consenting legislation, Resource Management Act (RMA) 1991 amendments, updates to national direction and RMA replacement legislation. Funding is provided in outyears for ongoing operation of the resource management system to support system change.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	23.525	23.911	23.911	20.888	92.235	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Back-Office Functions – Ministry for the Environment

This savings initiative returns funding for back-office functions to create efficiencies and align with the Government's priorities. These savings relate to reducing spending on contractors and consultants and a reduction in services relating to information and communications technology, accommodation, business and administrative support, programme and project management, legal, risk and assurance, finance, people and capability, Executive support, and procurement. It also incorporates savings from reductions in funding for staff travel, learning and development.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.588)	(6.204)	(6.272)	(6.189)	(22.253)	-

#### Climate Change Commission

This savings initiative returns funding for the Climate Change Commission. These savings are achieved by returning all funding for the Climate Change Commission's agricultural emissions pricing advisory function, proposed under the previous Government, and scaling back the Commission's baseline funding to create efficiencies. \$14.9 million operating per annum remains for the Climate Change Commission from 2025/26.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.000)	(4.208)	(4.208)	(4.208)	(15.624)	-

## Climate Change Programmes

This savings initiative returns funding across climate change programmes to align with the Government's priorities. These savings are from reduced funding for the Climate Change Development Fund and Climate Resilience for Māori initiative. These savings also reduce funding for the Climate Change Chief Executives Board, implementation of the Carbon Neutral Government Programme and other climate work programmes such as Climate Data Infrastructure and Enabling a Scaled-up, High Quality Voluntary Carbon Market.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.761)	(4.458)	(13.610)	(13.653)	(35.482)	-

## Evidence and Data

This savings initiative returns funding for evidence and data functions to align with the Government's priorities. These savings are delivered by reducing spending on consultants, external agencies and external and internal specialists that supply a range of evidence and data services, including updates to environmental standards, monitoring, reporting, policy work and science assurance.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(1.783)	(3.585)	(2.194)	(2.111)	(9.673)	-

## Freshwater Programmes

This savings initiative returns funding for freshwater programmes to align with the Government's priorities. These include the Jobs for Nature Secretariat, freshwater investment and implementation of freshwater policy and initiatives under the Essential Freshwater Fund (EFF). The EFF savings return funds that were yet to be contracted or fully distributed. All existing projects and contracts established through the EFF will be honoured.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(15.522)	(2.765)	(2.645)	(2.668)	(23.600)	-

## Partnerships and Engagement

This savings initiative returns funding by scaling back resourcing that supports delivery of communication, engagement, and partnership functions to align with the Government's priorities. These savings include removing funding for the Community Environment Fund, the Environmental Legal Assistance Fund, Indigenous Biodiversity implementation funding and regional planning support for environmental non-governmental organisations.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(10.551)	(10.850)	(8.191)	(8.203)	(37.795)	-

## Waste Minimisation

This savings initiative returns funding for waste minimisation to align with the Government's priorities. \$9.689 million of savings come from scaling back resourcing for waste minimisation policy and non-levy funded operational work programmes, and returning funding for administering waste minimisation projects funded by the Climate Emergency Response Fund, along with behaviour change and data projects. The remainder of the savings will be funded by Waste Disposal Levy revenue, enabled by amendments to the Waste Minimisation Act 2008 to expand the scope of activities levy revenue can be used for.

This initiative contributes to the baseline savings target for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(10.896)	(17.030)	(11.979)	(12.067)	(51.972)	-

## Further Savings and Revenue Measures

### Reallocation of Funding – Waste Disposal Levy

This savings initiative returns funding by reallocating Waste Disposal Levy revenue to a wider range of waste-related and environmental activities permitted under the Waste Minimisation Act 2008. This includes reducing emissions from waste, remediation of contaminated sites and vulnerable landfills, freshwater improvement, Kaipara Moana remediation, and the Ministry for the Environment's waste and hazardous substances work programme. The corresponding Crown funding for these activities is reduced to deliver savings.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(88.225)	(61.130)	(14.500)	(13.900)	(177.755)	-

## Return of Tagged Contingencies

### New Zealand Emissions Trading Scheme Market Governance

This savings initiative returns funding previously held in contingency for proposed New Zealand Emissions Trading Scheme market governance improvements. The ETS Market Governance programme will be progressed within baseline funding for the Ministry for the Environment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(9.437)	(9.437)	(9.437)	(6.000)	(34.311)	-

## Finance

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	13.525	54.098	1.500
Savings and Revenue	(16.245)	(64.980)	-
<b>Total</b>	<b>(2.721)</b>	<b>(10.882)</b>	1.500

## New Government Commitments

### Implementation of a Social Investment Approach – Tagged Contingency

This initiative provides funding held in contingency to begin implementation of a social investment approach to improve public sector performance and outcomes for vulnerable people. This includes funding to establish the Social Investment Fund, support the role and remit of a new Social Investment Agency, support devolution of social services to regional partners and support better use of government administrative data.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	13.000	12.000	12.000	12.000	49.000	1.500

### National Infrastructure Agency Establishment

This initiative provides funding for the design and establishment of the National Infrastructure Agency to deliver functions that address key gaps in the infrastructure system: procurement and delivery of complex projects, shopfront for private investors and co-ordination and governance of infrastructure funds. The establishment of these functions is a fundamental enabler for the Government to deliver on its key infrastructure priorities, including Public Private Partnerships and City Deals.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	-	5.098	-	-	-	5.098	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Auckland Light Rail

This savings initiative returns funding provided to the Treasury in Budget 2022 for the Auckland Light Rail Project following the decision in January 2024 to cancel the Auckland Light Rail Project.

This initiative contributes to the baseline savings target for the Treasury.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	(0.180)	-	-	-	-	(0.180)	-

#### Construction Disputes Resolution

This savings initiative returns funding that was previously provided to the Treasury to support the resolution of unresolved claims for several large infrastructure projects. This saving is as a result of lower-than-expected costs for this financial year.

This initiative contributes to the baseline savings target for the Treasury.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	(1.000)	-	-	-	-	(1.000)	-

**Expected Credit Loss Provisions Relating to the Business Finance Guarantee and North Island Weather Events**

This savings initiative returns funding through a review of the parameter settings used in the estimation of the expected credit loss provisions for each of the Business Finance Guarantee and North Island Weather Events Schemes. It is expected that this will result in a lower level of provisioning expense than has previously been included in forecasts.

This initiative contributes to the baseline savings target for the Treasury.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	(20.000)	-	-	-	-	(20.000)	-

**Investment Management of Trust Accounts**

This revenue initiative increases total interest income through proactive investment management of the unclaimed monies trust account.

This initiative contributes to the baseline savings target for the Treasury.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	-	(0.700)	(0.500)	(0.400)	(0.200)	(1.800)	-

**Back-Office Efficiencies – The Treasury**

This savings initiative returns funding from the Treasury's baseline to increase operating efficiencies. This includes both personnel and non-personnel related costs such as travel, training, and contractors and consultants. This saving relates to finding back-office efficiencies and productivity gains.

This initiative contributes to the baseline savings target for the Treasury.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	-	(10.500)	(10.500)	(10.500)	(10.500)	(42.000)	-

## Foreign Affairs

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	3.778	15.110	43.470
Savings and Revenue	(15.000)	(60.000)	-
<b>Total</b>	<b>(11.223)</b>	<b>(44.890)</b>	<b>43.470</b>

## Increased Funding for Core Services

### Pacific Property Strategy – Additional Funding to Help Address Cost Pressures

This initiative provides funding held in contingency for project cost pressures to support the Pacific Property Strategy, which is reinvesting in New Zealand's Pacific property portfolio.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	1.440	3.230	4.790	5.650	15.110	43.470

## Savings and Revenue

### Baseline Savings and Revenue

#### Lower Priority International Development Cooperation Activities

This savings initiative returns funding from the International Development Cooperation Programme. The Programme will continue to prioritise the Pacific and South-East Asia and savings will be found from lower priority areas. The Programme retains a budget of approximately \$2.9 billion over the 2024/25 to 2026/27 funding triennium in the relevant appropriation.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(7.615)	(7.615)	(7.615)	(7.615)	(30.460)	-

#### Contractors and Consultants, Specialised Funds, and Back Office Savings

This savings initiative returns funding from the Ministry of Foreign Affairs and Trade, related to reduced spending on contractors and consultants, specialised funds and finding back-office efficiencies.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(4.255)	(4.255)	(4.255)	(4.255)	(17.020)	-

#### Ceasing Funding for the Pacific Cooperation Foundation

This savings initiative returns funding that is no longer required due to the Minister of Foreign Affairs' decision to cease funding the Pacific Cooperation Foundation as a result of changing Government priorities.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(1.400)	(1.400)	(1.400)	(1.400)	(5.600)	-

### Management of International Development Cooperation Expenditure

This savings initiative returns funding allocated to the management of the International Development Cooperation Programme. This saving corresponds with the reduction in funding for the International Development Cooperation Programme itself and will be achieved primarily through reduced spending on contractors.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(0.745)	(0.745)	(0.745)	(0.745)	(2.980)	-

### Antarctic Research and Support Provided by Antarctica New Zealand

This savings initiative returns funding for Antarctica New Zealand. This saving relates to efficiencies found in Antarctica New Zealand's administration, travel and communications services spending and reduced spending on contractors and consultants.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(0.630)	(0.630)	(0.630)	(0.630)	(2.520)	-

### Promotion of Asian Skills and Relationships Provided by the Asia New Zealand Foundation

This savings initiative returns funding for Asia New Zealand Foundation. This saving returns funding allocated to lower-priority programmes, sponsorships, and the number of offshore opportunities it offers to stakeholders.

This initiative contributes to the baseline savings for the Ministry of Foreign Affairs and Trade.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Foreign Affairs	-	(0.355)	(0.355)	(0.355)	(0.355)	(1.420)	-

## Forestry

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	6.750	27.000	-
Savings and Revenue	(17.887)	(71.547)	-
<b>Total</b>	<b>(11.137)</b>	<b>(44.547)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Catalyst Wood Processing Growth Fund

This savings initiative returns funding from the Catalyst Programme of the Wood Processing Growth Fund. The return of this funding is not expected to have a significant impact on the Programme's outcomes, and \$2 million operating per annum remains in the Catalyst Programme of the Wood Processing Growth fund. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Forestry	-	(1.000)	(1.000)	(1.000)	(1.000)	(4.000)	-

#### Establishing Native Forests at Scale

This savings initiative returns funding from the Native Afforestation Programme. The research programme will be scaled and consolidated within the delivery of multiple forestry research programmes. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Forestry	-	(2.600)	(2.600)	(2.600)	(2.600)	(10.400)	-

#### Establishing Native Forests at Scale Tagged Contingency

This savings initiative returns funding held in contingency from the Establishing Native Forests at Scale, which is now closed. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(3.461)	(7.891)	(9.533)	(9.533)	(9.533)	(39.951)	-

#### Woody Biomass Planting Programme

This savings initiative returns funding for planting short-rotation forests to increase woody biomass supply as the planting costs are lower than budgeted. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for the Ministry for Primary Industries.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Forestry	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-



## Health

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	1,430.000	5,720.000	103.139
New Government Commitments	575.494	2,301.974	7.190
Savings and Revenue	(135.380)	(541.519)	(123.561)
<b>Total</b>	<b>1,870.114</b>	<b>7,480.455</b>	<b>(13.232)</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### National Contingency for the Health Capital Portfolio

This initiative provides funding for a centralised risk contingency pool for Health New Zealand | Te Whatu Ora to manage new capital cost pressures that arise in the existing portfolio. The contingency will cover pressures related to projects approved in Budget 2022 or earlier.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	-	-	-	-	-	103.139

### Health New Zealand | Te Whatu Ora Cost Pressures

This initiative provides funding for core demographic, volume and price pressures for frontline health services delivered by Health New Zealand | Te Whatu Ora to maintain current health policy settings. It includes cost pressure funding for frontline services previously delivered by Te Aka Whai Ora | Māori Health Authority for 2024/25 only. This is funded through the Budget 2024 operating allowance.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	1,430.000	1,430.000	1,430.000	1,430.000	5,720.000	-

### Health New Zealand | Te Whatu Ora Cost Pressures (Budget 2025 Pre-commitment)

This initiative provides funding for core demographic, volume and price pressures for frontline health services delivered by Health New Zealand | Te Whatu Ora to maintain current health policy settings. It includes cost pressure funding for frontline services previously delivered by Te Aka Whai Ora | Māori Health Authority.

This initiative is funded as a pre-commitment against the Budget 2025 operating allowance, with a total impact of \$5,480.000 million over the Budget 2025 forecast period from 2025/26 to 2028/29. Funding is in line with the amount included in the 2023 Pre-election Economic and Fiscal Update, and is lower than the Budget 2024 amount due the forecast decrease in inflation and wage pressures.

The funding amounts for this initiative do not contribute to the Vote Health summary table.

Vote	2024/25	2025/26	2026/27	2027/28	2028/29	Operating Total	Capital Total
Health	-	1,370.000	1,370.000	1,370.000	1,370.000	5,480.000	-

## Health New Zealand | Te Whatu Ora Cost Pressures (Budget 2026 Pre-commitment)

This initiative provides funding for core demographic, volume and price pressures for frontline health services delivered by Health New Zealand | Te Whatu Ora to maintain current health policy settings. It includes cost pressure funding for frontline services previously delivered by Te Aka Whai Ora | Māori Health Authority.

This initiative is funded as a pre-commitment against the Budget 2026 operating allowance, with a total impact of \$5,480.000 million over the Budget 2026 forecast period from 2026/27 to 2029/30. Funding is in line with the amount included in the 2023 Pre-election Economic and Fiscal Update, and is lower than the Budget 2024 amount due the forecast decrease in inflation and wage pressures.

The funding amounts for this initiative do not contribute to the Vote Health summary table.

Vote	2025/26	2026/27	2027/28	2028/29	2029/30	Operating Total	Capital Total
Health	-	1,370.000	1,370.000	1,370.000	1,370.000	5,480.000	-

## New Government Commitments

### Breast Screening Extension of Eligibility to Include 70 to 74-year-olds as part of the Free National Programme

This initiative provides funding to extend the BreastScreen Aotearoa programme to include free mammograms for women up to 74 years of age. The current screening age for the programme is women aged 45-69. This expansion will be implemented through a phased roll-out.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	6.000	6.000	6.000	6.000	24.000	7.190

### COVID-19 and Pandemic Preparedness – Maintaining Essential Health Services and Critical Surveillance Infrastructure

This initiative provides funding for operational delivery costs to support timely access to COVID-19 vaccines and therapeutics. It also retains critical public health surveillance infrastructure, supporting system preparedness to identify and respond to future disease outbreaks.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	65.995	60.118	53.020	53.019	232.152	-

### Emergency Department Security – Service Expansion

This initiative provides funding for an uplift in 24/7 security guards across the highest-risk Health New Zealand | Te Whatu Ora emergency departments, an increase in training and support roles to improve security capabilities across the country, and an uplift in flexible surge capacity where needed. 44 additional full-time security staff are funded across eight high-risk emergency departments. It intends to support safer care and psychological safety for Health New Zealand staff and people visiting its hospitals and facilities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	6.170	8.226	8.226	8.226	30.848	-

### Gumboot Friday – Delivering Free Youth Mental Health Counselling Services

This initiative provides funding to deliver free mental health counselling services for youth between the ages of 5 and 25 years through Gumboot Friday.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	6.000	6.000	6.000	6.000	24.000	-

### Investment to Continue Access to Medicines

This initiative provides funding to address previous time-limited funding for Pharmac's Combined Pharmaceutical Budget. This funding provides for the same level of ongoing access to medicines. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	420.400	442.420	455.430	455.430	1,773.680	-

## Training 25 More Doctors Each Year

This initiative increases the medical school enrolment funding cap to provide 25 additional places per year, starting from 2025. This will enable the Auckland University and Otago University to increase their combined medical school first-year intake from 589 in 2024 to 614 from 2025, which will see more doctors graduating and entering the health workforce. This investment targets health workforce pressures. Treatment of flow-on impacts on student loans are managed outside allowances, as is standard practice.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	0.300	0.300	0.300	0.300	1.200	-
Revenue (IRD-Crown)	-	-	-	-	-	-	-
Social Development	-	0.023	0.063	0.103	0.195	0.384	13.232
Tertiary Education	-	0.439	1.281	2.099	3.112	6.931	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Ministry of Health Back-Office Functions

This savings initiative returns funding from back-office functions at the Ministry of Health. The cost reductions will be achieved by finding efficiencies through a number of targeted programmes, which include reducing back-office staff and other non-personnel-related costs and reducing spend on contractors and consultants.

This initiative contributes to the baseline savings target for the Ministry of Health.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	(12.600)	(12.600)	(12.600)	(12.600)	(50.400)	-

### Further Savings and Revenue Measures

#### Māori Health Authority Disestablishment

This savings initiative returns funding from the disestablishment of Te Aka Whai Ora | Māori Health Authority Functions and services of the Māori Health Authority that have transferred to Health New Zealand | Te Whatu Ora and the Ministry of Health | Manatū Hauora. Savings reflect underspends from entity establishment and a reduced need for governance functions. This is not a reduction in funding for service delivery or frontline roles.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	(31.500)	(1.000)	(1.000)	(1.000)	(1.000)	(35.500)	-

#### Prescription Co-Payment – Reinstating the \$5 Prescription Co-Payment with Targeted Exemptions

The savings portion of this initiative returns funding by reinstating the \$5 prescription co-payment charge for those aged 14 years and over. This saving is partially offset by providing funding to Pharmac to continue targeted exemptions from the prescription co-payment for people with a Community Services Card and people aged 65 and over. The current Prescription Subsidy Card settings remain unchanged.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	23.780	31.234	32.015	32.815	33.635	153.479	-
Health	-	(70.979)	(64.586)	(66.201)	(67.856)	(269.622)	-

## Return of Tagged Contingencies

### Accelerating Health Infrastructure Unit Work Programme

This savings initiative returns funding remaining in the Accelerating Health Infrastructure Unit Work Programme contingency established at Budget 2021. The work programme has been transitioned to the Infrastructure and Investment Group in Health New Zealand | Te Whatu Ora following health system reforms. This remaining contingency funding is returned to enable other investments.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(2.110)	(2.110)	(2.110)	(2.110)	(8.440)	-

### Data and Digital Foundations and Innovation

This savings initiative returns the remaining funding in the Data and Digital Foundations and Innovation contingency. This contingency was established in Budget 2022 to provide further funding to improve health system performance and achieve the aims of health system reform. This contingency funding is returned pending work to prepare investment-ready business cases for future investment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(30.000)	(55.751)	(55.751)	(22.667)	(22.667)	(186.836)	(50.000)

### Data and Digital Infrastructure and Capability – Enabling Health System Transformation

This savings initiative returns funding in the Data and Digital Infrastructure and Capability – Enabling Health System Transformation contingency. The contingency was established in Budget 2021 to enable investment in data and digital infrastructure and capability needed to implement health system reforms and improve health system performance. This contingency funding is returned pending work to prepare investment-ready business cases for future investment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(20.100)	(24.100)	(50.000)	(50.000)	(144.200)	-

### District Health Boards Equity Support Capital

This savings initiative returns funding remaining in the District Health Boards Equity Support Contingency. This contingency was established in Budget 2020 to provide equity support to District Health Boards (now Health New Zealand | Te Whatu Ora). Given funding is provided to meet Health New Zealand's cost pressures over the next three years, the requirement for this contingency is reduced.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	(73.561)

## Housing and Urban Development

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	18.750	75.000	-
New Government Commitments	53.041	212.165	-
Savings and Revenue	(452.631)	(1,810.523)	(285.000)
<b>Total</b>	<b>(380.840)</b>	<b>(1,523.358)</b>	<b>(285.000)</b>

## Increased Funding for Core Services

### Transfer of Infrastructure Assets to Third Parties

This initiative provides funding so that the Ministry of Housing and Urban Development can transfer infrastructure assets to third parties to meet generally accepted accounting principles. As a response to COVID-19, funding was provided for a number of infrastructure projects. The Ministry was subsequently advised by Audit New Zealand that it needed to recognise the value of infrastructure upgrades on its balance sheet for works incurred on land owned by the Crown. This meant that there was no initial operating impact from this work as anticipated. This initiative ensures that there is sufficient authority at the time of transfer to recognise the technical non-cash operating expense associated with the transfer of assets.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	65.000	10.000	-	-	75.000	-

## New Government Commitments

### Kāinga Ora Crown-Funded Programmes and Statutory Obligations – Continuation of Funding

This initiative provides funding for Kāinga Ora – Homes and Communities to retain the capability required to execute its non-public housing statutory functions and obligations and to deliver housing products on behalf of the Crown.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	34.920	14.970	12.610	12.610	75.110	-

### Social Housing Supply – Additional 1,500 Social Housing Places

This initiative provides funding for 1,500 new social housing places with delivery to be phased from 1 July 2025 onwards. These places will be delivered by Community Housing Providers.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	-	17.500	52.500	70.000	140.000	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Affordable Housing Fund Innovation Pathway

This savings initiative returns funding remaining in the Affordable Housing Fund. This fund is designed to support the development of new, affordable homes for low-to-moderate income individuals in areas facing the largest housing supply and affordability challenges. This funding was uncommitted and there is no change to current service levels from the return of funding.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(10.000)	-	-	-	(10.000)	(50.000)

### Contracted Emergency Housing

This savings initiative returns funding by exiting Contracted Emergency Housing motels in Rotorua due to declining demand. This saving corresponds to a historical underspend.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(5.000)	(5.000)	(5.000)	(5.000)	(20.000)	-

### Emergency Housing Review and Homelessness Action Plan

This savings initiative returns funding allocated to the Emergency Housing Review and Homelessness Action Plan arising from projected underspends due to delivery capacity constraints.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	(2.000)	(13.000)	(14.000)	(15.000)	(2.000)	(46.000)	-

### Emergency Housing System and Homelessness Action Plan Tagged Contingencies

This savings initiative returns funding allocated to the Emergency Housing System and Homelessness Action Plan contingencies. This funding was uncommitted and there is no change to current service levels from the return of funding.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(68.756)	(3.509)	(15.666)	(21.576)	(19.000)	(128.507)	-

### Kāinga Ora-Led Large-Scale Projects

This savings initiative returns funding for progressing Large-scale Projects, including the contingency for cost-overruns. As part of the broader review into funding in the Housing portfolio, the Large-Scale projects will be assessed to ensure that remaining funding are directed towards the highest value-for-money spend, with an emphasis on enabling additional housing supply.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(30.000)	(110.000)	(30.000)	(30.000)	(200.000)	(235.000)

### Kāinga Ora Reduced Asset Maintenance and Personnel Expenditure

This savings initiative reflects planned expenditure reductions by Kāinga Ora as a result of efficiencies in areas including asset maintenance and personnel costs (primarily from support services).

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	(36.000)	(159.000)	(277.000)	(284.500)	(284.500)	(1,041.000)	-

### Ministerial and Management Services Reduction

This savings initiative returns funding from the Managing the Housing and Urban Development portfolio to reduce departmental baselines. Savings arise from departmental services that manage and regulate housing and housing support providers and advice, servicing and monitoring to support Ministerial decision making.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(13.250)	(2.710)	(2.730)	(2.910)	(21.600)	-

### New Supply and Capability of Māori Housing

This savings initiative returns funding by reducing a small portion of the ongoing funding for both new Māori housing supply and investments in capability and capacity of Māori housing providers. This returns funding that was uncontracted. Significant ongoing funding of over \$100 million operating per annum remains to maintain momentum for priority investments in supply and capability initiatives in focus areas.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(10.000)	(10.000)	(10.000)	(10.000)	(40.000)	-

### Progressive Home Ownership

This savings initiative returns underspends related to grants under the Progressive Home Ownership scheme due to lower-than-expected forecast spend. This funding was uncommitted and there is no change to current service levels from the return of funding.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(2.000)	(5.000)	(5.000)	(5.000)	(17.000)	-

### Rangatahi Youth Transitional Housing

This savings initiative returns funding for rangatahi youth-focused transitional housing places that will not be contracted. This funding was uncontracted and there is no change to current service levels from the return of funding.

This initiative contributes to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(5.000)	(5.000)	(5.000)	(5.000)	(20.000)	-

## Further Savings and Revenue Measures

### First Home Grant Scheme

This savings initiative returns funding from the First Home Grant scheme, providing deposit support for eligible first home buyers, which is ceasing. Ongoing funding is provisioned for the First Home Loan scheme, which represents better value for money and better assists first-home owners in lowering the deposit barrier.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Housing and Urban Development	-	(35.000)	(70.000)	(70.000)	(70.000)	(245.000)	-

## Internal Affairs

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	16.194	64.777	-
Savings and Revenue	(100.593)	(402.373)	(18.580)
<b>Total</b>	<b>(84.399)</b>	<b>(337.596)</b>	<b>(18.580)</b>

## New Government Commitments

### Implementing Local Water Done Well

This initiative provides funding to implement the Local Water Done Well policy. The funding is set aside for work on policy development, legislation, financing settings, economic regulation and water safety regulation.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	28.405	12.322	-	-	40.727	-

### Independent Inquiry into how the COVID-19 Pandemic was Handled in New Zealand

This initiative provides funding held in contingency to allow funding to be made available when the Government makes final decisions on an expanded terms of reference for the Royal Commission of Inquiry into COVID-19 Lessons.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	1.000	6.525	6.525	-	-	14.050	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Civil Registration Systems Replacement

This savings initiative returns funding for investment in the Civil Registration component of the Te Ara Manaaki transformation programme, which has ceased. Beyond this component, the Te Ara Manaaki programme is ongoing.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(3.900)	(3.900)	(3.900)	(3.900)	(15.600)	-

#### Department of Internal Affairs Workforce and Other Cost Reductions in Shared Services Functions

This savings initiative returns funding from corporate services and other non-customer-facing functions within the Department of Internal Affairs. This savings relates to optimisation of functions.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(9.054)	(8.282)	(8.120)	(8.353)	(33.809)	-



### Digitising Government Alternative Funding Options and Efficiency Savings

This savings initiative returns funding through optimisation of functions (including personnel) within the Government Chief Digital Officer function and the wider Digitising Government portfolio.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(1.415)	(1.415)	(1.415)	(1.415)	(5.660)	(8.460)

### Grant Funding for the Aotearoa Reorua (Bilingual Towns and Cities) Programme

This savings initiative reduces grant funding for the Aotearoa Reorua (Bilingual Towns and Cities) Programme by \$0.700 million operating per annum. Approximately \$0.4 million operating per annum for the Aotearoa Reorua programme remains.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(0.700)	(0.700)	(0.700)	(0.700)	(2.800)	-

### Ministry for Ethnic Communities Workforce and Other Cost Reductions

This savings initiative returns funding through optimisation of functions, including personnel, at the Ministry for Ethnic Communities.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(1.244)	(1.244)	(1.244)	(1.244)	(4.976)	-

### National Library of New Zealand and Archives New Zealand Workforce and Other Cost Reductions

This savings initiative returns funding by increasing operational efficiency, and reductions in discretionary expenditure within Archives New Zealand and the National Library of New Zealand.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(4.374)	(4.374)	(4.374)	(4.374)	(17.496)	-

### Operation and Maintenance of Chatham Islands Wharves

This savings initiative returns funding for the operation and maintenance of the Chatham Islands wharves under Crown ownership. Approximately \$3 million operating per annum of funding remains in the appropriation including depreciation. This saving is a result of lower-than-expected costs for operation and maintenance.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(1.540)	(1.540)	(1.540)	(1.540)	(6.160)	-

### Public Good Funding for Fire and Emergency New Zealand

This savings initiative reduces the Crown contribution towards the public good component of services provided by Fire and Emergency New Zealand. \$8.000 million operating per annum of funding for the Crown contribution towards the public good component of services provided by Fire and Emergency New Zealand remains. The remaining \$8.000 million represents just over 1 per cent of Fire and Emergency New Zealand's total revenue. Fire and Emergency New Zealand receives just over 98 per cent of its revenue from insurance levies.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

### SmartStart and Smith-Traynor Fraud Response

This savings initiative partially returns funding for the SmartStart platform, a platform for new and expectant parents, by ceasing future enhancements while continuing to maintain the content it currently holds. It also returns funding for the Smith-Traynor Fraud Response, which was established to prevent relevant persons, coming before the criminal justice system, leaving the country as this is no longer required.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(1.360)	(1.360)	(1.360)	(1.360)	(5.440)	-

### Workforce Cost Reductions – Ministerial Services

This savings initiative relates to finding efficiencies within the Ministerial Services portfolio.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

### Workforce and Other Cost Reductions in Policy and Regulatory Functions

This savings initiative returns funding through targeted reduction in staffing, training and air travel costs within the policy and regulatory functions administered by the Department of Internal Affairs.

This initiative contributes to the baseline savings target for the Department of Internal Affairs.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	-	(2.938)	(2.938)	(2.938)	(2.938)	(11.752)	-

## Further Savings and Revenue Measures

### Repeal of the Three Waters Programme

This savings initiative returns funding from the repeal of the Three Waters Programme.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Internal Affairs	(269.880)	-	-	-	-	(269.880)	(10.120)
Tagged Contingency	(20.000)	-	-	-	-	(20.000)	-

## Justice

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	33.687	134.749	-
New Government Commitments	-	-	2.088
Savings and Revenue	(19.780)	(79.120)	-
<b>Total</b>	<b>13.907</b>	<b>55.629</b>	<b>2.088</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Savings and Revenue

### Baseline Savings and Revenue

#### Criminal Cases Review Commission

This savings initiative returns funding from increasing efficiency at the Criminal Cases Review Commission.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(0.337)	(0.337)	(0.337)	(0.337)	(1.348)	-

#### Human Rights Commission

This savings initiative returns funding from increasing efficiency at the Human Rights Commission.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(1.383)	(1.383)	(1.383)	(1.383)	(5.532)	-

#### Inspector-General of Intelligence and Security

This savings initiative returns funding from increasing efficiency at the Office of the Inspector-General of Intelligence and Security through a reduction in back-office functions.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(0.060)	(0.060)	(0.060)	(0.060)	(0.240)	-

#### Justice Sector Directorate

This savings initiative will return funding allocated for the Justice Sector Directorate's operating costs by reducing contractor costs and reducing full-time equivalent staff.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(0.959)	(0.959)	(0.959)	(0.959)	(3.836)	-

#### Legal Aid (Operational Changes)

This savings initiative returns funding from operational policy adjustments to ensure that decisions to grant legal aid are made consistently in accordance with the current settings of the Legal Services Act 2011.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(0.786)	(0.786)	(0.786)	(0.786)	(3.144)	-

### Legal Aid (Low Demand)

This savings initiative returns funding from Legal Aid initiatives such as surge COVID-19 resourcing where demand has been lower than expected when originally funded due to a revision in forecasts for demand.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(14.068)	(1.600)	(1.600)	(1.600)	(18.868)	-

### Ministry of Justice Operating Costs

This savings initiative returns funding allocated for the Ministry of Justice's national office operating costs through reducing expenditure on contractors, consultants and travel costs as well as a reduction in full-time equivalent staff.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(1.292)	(1.280)	(1.280)	(1.280)	(5.132)	-
Courts	-	(8.336)	(8.262)	(8.262)	(8.262)	(33.122)	-
Justice (Prevention of Family Violence Sexual Violence)	-	(0.116)	(0.115)	(0.115)	(0.115)	(0.461)	-
Te Arawhiti	-	(0.349)	(0.346)	(0.346)	(0.346)	(1.387)	-

### Mana Ōrite Agreement

This savings initiative returns funding for the agreement between the Justice Sector Leadership Board and Ināia Tonu Nei. The relationship and arrangements with the Leadership Board continue to evolve since it was originally funded.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(1.500)	(1.500)	(1.500)	(1.500)	(6.000)	-

### Office of the Privacy Commissioner Operating Efficiencies

This savings initiative returns funding from the Office of the Privacy Commissioner through increased efficiencies.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(0.531)	(0.531)	(0.531)	(0.531)	(2.124)	-

### Public Trust Contractual Threshold Amendment

This savings initiative returns funding by amending Public Trust contractual thresholds in relation to property managers.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Justice	-	(1.633)	(1.633)	(1.633)	(1.633)	(6.532)	-

### Victims of Crime: Improving Outcomes Tagged Contingency

This initiative partially returns funding held in contingency for an operating model work. Approximately \$17 million total remains in the tagged contingency to be used for other additional government measures and initiatives to support victims of crime.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(4.687)	(5.875)	(7.187)	(7.187)	(24.936)	-

## Labour Market

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(166.556)	(666.225)	-
<b>Total</b>	<b>(166.556)</b>	<b>(666.225)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Accident Compensation Policy Advice

This savings initiative returns funding for Accident Compensation Policy Advice. This saving is enabled by reducing vacant positions and contractor spending.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.220)	(0.220)	(0.220)	(0.220)	(0.880)	-

#### Employment Policy Advice

This savings initiative returns funding for Employment Policy Advice, which has been scaled through reductions to full time equivalent workers.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.407)	(0.407)	(0.407)	(0.407)	(1.628)	-

#### Employment Relations Services

This savings initiative returns funding for Employment Relations Services, which has been scaled as a result of back-office efficiencies. This includes the ending of external data provision contracts, and a small reduction in education and information service levels. There are no full-time equivalent impacts due to these savings.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(1.925)	(1.925)	(1.925)	(1.925)	(7.700)	-

#### Employment Services and Equivalent Increase in Immigration Fees and Levies

This savings initiative returns Crown funding for Employment Relations Services for immigration activities and funds these activities with third-party revenue from fees and levies from the immigration system, to align costs of services to their primary users. There will be no change to current service levels. This initiative has been agreed in-principle by Cabinet but is subject to final decisions in mid-2024 following targeted consultation. The increase in levy have been incorporated in the Treasury's fiscal forecasts based on the likelihood of the decision happening, therefore these savings form part of the Budget 2024 operating package.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.800)	(0.800)	(0.800)	(0.800)	(3.200)	-

## Employment Sector Analysis and Facilitation

This savings initiative returns funding for Employment Sector Analysis and Facilitation, which has been scaled a result of back-office efficiencies. This includes a reduction in discretionary spend on pilots, evaluations, and contributions to industry initiatives.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.126)	(0.126)	(0.126)	(0.126)	(0.504)	-

## Workplace Relations and Safety Portfolio

This savings initiative returns funding for the Workplace Relations and Safety portfolio related to the Industrial Relations Foundation, the Equal Employment Opportunities Trust (Diversity Works) and support for screen industry occupational bargaining, which has been stopped due to a change in Government priorities.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.655)	(1.155)	(1.155)	(1.155)	(4.120)	-

## Workplace Relations and Safety Portfolio Policy Advice

This savings initiative returns funding for Workplace Relations and Safety Policy Advice, which has been scaled through reductions to contractor and consultant spend and full-time equivalent reductions.

This initiative contributes to the baseline savings target for the Ministry of Business, Innovation and Employment.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(0.694)	(0.694)	(0.694)	(0.694)	(2.776)	-

## Further Savings and Revenue Measures

### Immigration Visa Subsidies

This savings initiative returns Crown funding for immigration visa Crown subsidies, which have been reduced due to a faster than expected recovery in the volume of visa applications and a change in Government priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(18.401)	(18.375)	(18.445)	(18.307)	(73.528)	-

### Additional Immigration New Zealand Call Centre Capacity During Border Reopening

This savings initiative returns funding that was provided for additional capacity to answer visitor visa enquiries while New Zealand's borders were reopening post-COVID-19. The additional capacity was not needed for as long as initially thought, resulting in one-off savings of \$0.250 million.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	(0.250)	-	-	-	-	(0.250)	-

### Reduction of Crown Funding and Increase in Fees and Levies for Immigration System Costs

This revenue initiative reduces Crown funding for the immigration system, including English for speakers of other languages programme costs. Alternative revenue will be provided through increased fees and levies paid by users of the immigration system. This initiative has been agreed in-principle by the Government but is subject to final decisions in mid-2024 following targeted consultation. This increase in levy have been incorporated in the Treasury's fiscal forecasts based on the likelihood of the decision happening, therefore this saving forms part of the Budget 2024 operating package. The split between Vote Labour Market and Vote Education will be confirmed when final decisions are taken.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market and Education	-	(114.200)	(114.200)	(114.200)	(114.200)	(456.800)	-

### Return of Funding for Regional Skills Leadership Groups

This savings initiative returns funding for the Regional Skills Leadership Groups, which have been stopped due to a change in Government priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(11.482)	(11.483)	(11.483)	(11.483)	(45.931)	-

## Lands

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(8.600)	(34.400)	-
<b>Total</b>	<b>(8.600)</b>	<b>(34.400)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### 3D Coastal Mapping

This savings initiative returns funding by reducing the scale of the programme from mapping 85 per cent of the New Zealand coastline to 40 per cent and reducing back-office costs. Approximately \$7.4 million of total funding for 3D Coastal Mapping remains per year. This initiative was originally funded through the Climate Emergency Response Fund.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(3.000)	(3.000)	(3.000)	-	(9.000)	-

#### Crown Land Forestry Work Programme

This savings initiative reduces funding available for the Crown Land Forestry work programme by reducing contractor spend and slowing programme delivery. Approximately \$3 million operating per annum of funding for the Contaminated Sites and Forestry Operations categories remain.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(0.500)	(0.500)	(0.500)	(0.500)	(2.000)	-

#### Crown Land Management Work Programme

This savings initiative reduces funding by slowing remediation work on Landbank and Land Information New Zealand non-residential properties.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(1.350)	(1.350)	(1.350)	(1.350)	(5.400)	-

#### Hydrographic Surveys

This savings initiative reduces funding for hydrographic surveys by reducing the survey programme and updates to maritime charts. Approximately \$3 million operating per annum of funding for Hydrographic Surveys remains.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(0.900)	(0.900)	(0.900)	(0.900)	(3.600)	-

### Location-Based Information Services

This savings initiative returns funding through finding efficiencies in the overall approach to delivery of Location-based Information Services at Land Information New Zealand.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(0.450)	(0.450)	(0.450)	(3.450)	(4.800)	-

### Regional Housing Improvement Programme

This savings initiative reduces funding by scaling the programme by reducing the number of tenanted Landbank houses remediated per year and reducing back-office costs. Approximately \$15 million operating per annum of funding for maintenance of Landbank properties remains.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(1.100)	(1.100)	(1.100)	(1.100)	(4.400)	-

### Southern Positioning Augmentation Network

This savings initiative returns funding for the Southern Positioning Augmentation Network. This saving is a result of lower-than-expected costs from previous procurement processes and corresponding reduced budget provision for final procurement processes.

This initiative contributes to the baseline savings target for Land Information New Zealand.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Lands	-	(1.300)	(1.300)	(1.300)	(1.300)	(5.200)	-



## Māori Development

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(24.182)	(96.726)	-
<b>Total</b>	<b>(24.182)</b>	<b>(96.726)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Discontinued Programmes | Ngā Hōtaka i Whakamutua

This savings initiative returns funding from the Community and Māori Governance Organisations and Commissioning Whānau Ora Outcomes appropriations due to the funding no longer being allocated to a specific work programme. This unallocated funding is being returned.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(1.500)	(1.500)	(1.500)	(1.500)	(6.000)	-

#### Office of the Māori Trustee | Te Tumu Paeroa

This savings initiative returns funding from the Māori Trustee through cost efficiencies. This initiative improves the efficiency of service delivery.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(1.241)	(1.241)	(1.241)	(1.241)	(4.964)	-

#### Te Ringa Hāpai Whenua Fund | Te Tahua Te Ringa Hāpai Whenua

This savings initiative returns funding from Te Ringa Hāpai Whenua Fund, ceasing the programme as on-going support to whenua Māori landowners will be provided through other mechanisms such as the Whenua Māori Fund administered by Te Puni Kōkiri.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(5.733)	(5.733)	(5.733)	(5.733)	(22.932)	-

#### Future of Work –Māori Leadership | Te Ānamata o te Mahi – Te Taumata Māori

This savings initiative returns funding to reflect the closure of the Future of Work Forum. The funding that was received as part of Budget 2023 is no longer required as the Future of Work Forum is being ceased.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(0.300)	-	-	-	(0.300)	-

### Hapori Māori - Increasing Community Resilience through Data Capability and Access | Hapori Māori – Te Whakapiki i te Manahautanga Hapori mā te Matatau me te Whai Wāhitanga ki te Raraunga

This savings initiative returns funding for the Hapori Māori Data Capability programme as the programme is being descoped and will be delivered at a smaller scale within existing baseline funding. The programme aimed to improve the data and evidence available to Māori communities about climate change, adaptation, and the resilience of Māori communities. The component of this programme that invests in improving internal data systems at Te Puni Kōkiri will be delivered within existing baseline funding.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(6.290)	(6.360)	(5.090)	(5.090)	(22.830)	-

### Te Puni Kōkiri Departmental Cost Efficiencies | Ngā Tikanga Utu ā-Tari a Te Puni Kōkiri

This savings initiative returns funding from Te Puni Kōkiri through reductions in personnel, contractors and consultants and other operating costs associated with a reduction in staff establishment and tighter controls on spending.

This initiative contributes to the baseline savings target for Te Puni Kōkiri.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Māori Development	-	(9.700)	(10.000)	(10.000)	(10.000)	(39.700)	-

## Oranga Tamariki

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	57.943	231.771	-
New Government Commitments	30.285	121.141	1.000
Savings and Revenue	(79.888)	(319.550)	(114.200)
<b>Total</b>	<b>8.341</b>	<b>33.362</b>	<b>(113.200)</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Crown Response Unit (Abuse in Care)

This initiative provides funding to extend the Crown Response Unit into the 2024/25 financial year, enabling the Crown to respond to the Abuse in Care Royal Commission of Inquiry's full set of findings and recommendations. The funding provides for advice and co-ordination of work to deliver more effective redress services for survivors of abuse in care.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	10.428	-	-	-	10.428	-

### High Needs Children Services

This initiative funds specialised caregiving services for disabled children and young people with high support needs in Oranga Tamariki's care. The funding provides for increased demand and cost of these services. Ongoing funding has been provided for this previously time-limited initiative.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	10.955	29.483	29.673	29.673	99.784	-

### Remuneration for Frontline Staff

This initiative provides funding for contractually entitled progression uplifts for frontline staff at Oranga Tamariki – Ministry for Children.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	9.180	17.263	17.263	17.263	60.969	-

## New Government Commitments

### Addressing Serious Youth Offending

This initiative funds two components aimed at addressing serious youth offending: a new legislative category in the Oranga Tamariki Act 1989 and a military-style academy pilot for Young Serious Offenders that will operate from 2024/25.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	7.342	5.946	7.190	7.563	28.041	1.000
Courts	-	2.302	2.092	1.538	1.762	7.694	-
Justice	-	-	-	-	-	-	0.921
Police	-	0.382	0.011	0.011	0.011	0.415	0.045

## Fast Track Youth Offending Programme

This initiative provides funding to continue the Fast Track Youth Offending Programme, which is a joint Oranga Tamariki and Police initiative that provides a rapid response pathway for children (10 to 13 -year-olds) with offending behaviour. It will also extend the Fast Track Programme to a targeted group of young people (14 to 17 -year-olds).

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	7.650	7.650	7.650	7.650	30.600	-

## Frontline Technology Systems Upgrade

This initiative provides funding held in contingency to fund the upgrade of the existing Oranga Tamariki case and care management digital system as well as some other smaller systems.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	24.500	26.000	6.000	6.000	62.500	-

# Savings and Revenue

## Baseline Savings and Revenue

### Back-Office Administration Costs

This savings initiative returns funding from back-office administration savings. These will be drawn primarily from contractors and consultants, travel, and reduced information and communications technology costs. This initiative improves the efficiency of service delivery with no reduction in frontline services.

This initiative contributes to the baseline savings target for Oranga Tamariki – Ministry for Children.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	(15.000)	(15.000)	(15.000)	(15.000)	(60.000)	-

### Back-Office Staff

This savings initiative returns funding by reducing the number of back-office staff at Oranga Tamariki with no reduction in frontline services.

This initiative contributes to the baseline savings target for Oranga Tamariki – Ministry for Children.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	-	(37.750)	(50.900)	(50.900)	(139.550)	-

### Contracting Service Costs

This savings initiative returns funding from contracts with third-party providers. These will be drawn from under-utilised services and fee-for-service arrangements, which will be replaced by more efficient and consistent formal arrangements. This initiative improves the efficiency of service delivery, with no reduction in frontline services.

This initiative contributes to the baseline savings target for Oranga Tamariki – Ministry for Children.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	(30.000)	(30.000)	(30.000)	(30.000)	(120.000)	-

## Capital Review Savings

### Return of Funding for Youth Justice Community-based New Builds

This savings initiative returns funding allocated for the building of 16 purpose-built youth justice facilities and services. Work ceased on this programme with little progress made since funding was allocated in Budget 2019. Capital funding allocated at Budget 2019 has been returned until decisions on future building needs are ready to be made and business case requirements can be reset if this programme progresses in the future.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Oranga Tamariki	-	-	-	-	-	-	(72.000)

### Office and Site Workplace Upgrades

This savings initiative returns funding allocated for the improvement of office and site workplace. Work has ceased on this programme as Oranga Tamariki has not progressed these improvements as scheduled since funding was originally allocated.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Oranga Tamariki	-	-	-	-	-	-	(25.900)

### Specialist Group Homes Development

This savings initiative returns funding allocated for the development of homes for tamariki with high support needs. Work has ceased on this programme as Oranga Tamariki has not progressed these developments as scheduled since funding was originally allocated.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	<i>Operating Total</i>	<i>Capital Total</i>
Oranga Tamariki	-	-	-	-	-	-	(16.300)

## Pacific Peoples

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(6.400)	(25.600)	-
<b>Total</b>	<b>(6.400)</b>	<b>(25.600)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Back-Office Functions (Administration and Discretionary Expenditure)

This savings initiative returns funding for back-office full-time equivalent staff at the Ministry for Pacific Peoples and related discretionary expenditure, which is related to reduced office space, travel, staff training and catering costs.

This initiative contributes to the baseline savings target for the Ministry for Pacific Peoples.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Pacific Peoples	-	(6.400)	(6.400)	(6.400)	(6.400)	(25.600)	-

# Parliamentary Service

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	1.191	4.762	3.860
Savings and Revenue	-	-	-
<b>Total</b>	<b>1.191</b>	<b>4.762</b>	<b>3.860</b>

## New Government Commitments

### Replacement of Parliamentary Service Human Resource Information System

This initiative provides funding to recommence the programme of work to replace the Parliamentary Service Human Resource Information System. It will introduce new, fit-for-purpose technology systems as well as organisational and business process changes and will remove the critical risk of failure that exists with the current system. It will deliver significant changes and ensure full compliance with legislation and superannuation schemes for all agencies.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Parliamentary Service	0.090	1.640	2.072	-	-	3.802	-

## Police

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	97.744	390.974	33.970
New Government Commitments	47.863	191.452	34.675
Savings and Revenue	(13.778)	(55.111)	-
<b>Total</b>	<b>131.829</b>	<b>527.315</b>	<b>68.645</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Cost Pressure Funding – New Zealand Police

This initiative provides one year of critical cost pressure funding to New Zealand Police related to enabling the frontline and operational delivery of Police functions. The funding is temporary in nature at this point as New Zealand Police is expected to implement further measures and identify opportunities across its operating model, roles and functions to help manage costs in the future and improve its fiscal sustainability.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Police	-	120.000	-	-	-	120.000	-

### Police Fleet Renewal Programme Cost Pressure

This initiative provides funding to New Zealand Police to address cost pressures associated with the fleet renewal programme.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Police	1.840	4.710	7.470	7.360	7.360	28.740	33.970

## New Government Commitments

### Investing in Frontline Policing

This initiative provides funding for New Zealand Police to deliver 500 additional constabulary officers from the day the Government took office, including additional operational support staff to strengthen policing in our communities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Police	-	13.455	59.914	58.941	58.727	191.037	34.630

## Savings and Revenue

### Baseline Savings and Revenue

#### Corporate Support Functions

This savings initiative returns funding due to a reduction of corporate support functions at New Zealand Police.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Police	-	(1.994)	(12.219)	(20.449)	(20.449)	(55.111)	-



## Prime Minister and Cabinet

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	1.065	4.258	-
New Government Commitments	5.046	20.182	2.270
Savings and Revenue	(3.244)	(12.976)	-
<b>Total</b>	<b>2.866</b>	<b>11.464</b>	<b>2.270</b>

## Increased Funding for Core Services

### Baseline Stabilisation of Core Functions

This initiative provides funding to maintain the Department of the Prime Minister and Cabinet's core functions, including extension of time-limited funding in national security, risk and resilience functions (pending further work to determine the appropriate level of ongoing baseline for the Department).

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	(0.825)	1.195	3.888	-	-	4.258	-

## New Government Commitments

### Continued Recovery from the North Island Weather Events

This initiative provides funding to support the continued recovery from the North Island weather events, including to support councils' capability to speed up critical recovery functions, for the treatment of the significant woody debris in Tairāwhiti, and towards completing the remaining essential clearance of Hawke's Bay sediment and debris deposited on residential and commercial properties.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	16.102	-	-	-	16.102	-
Forestry	-	27.000	-	-	-	27.000	-
Internal Affairs	-	10.000	-	-	-	10.000	-

### Establishment of Delivery Unit Function

This initiative provides interim funding for a Delivery Unit within the Department of the Prime Minister and Cabinet, which will support the Government to track and regularly report on its key priorities by assisting the Prime Minister, Ministers and (where relevant) Cabinet to know at any given time the status of delivery.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	-	0.600	-	-	0.600	-

### Fit-out and Technology Upgrade of the New National Emergency Management Facility

This initiative provides funding for the fit-out design and construction and technology upgrade of a new National Emergency Management Facility located within the new fully funded Museum Street Member Building being constructed by Parliamentary Service on the Parliamentary Precinct and due for completion in 2026.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	1.170	0.310	1.050	0.950	3.480	2.270
Parliamentary Service	-	-	0.020	0.470	0.470	0.960	3.860

## Whenua Māori and Marae Pathway Cost Pressures

This initiative establishes a tagged operating contingency to provide for cost pressures in the Whenua Māori and Marae Pathway supporting Māori and their whenua, marae and other cultural assets severely affected by the 2023 North Island Weather Events. The figures have been withheld for commercial sensitivity.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Department of the Prime Minister and Cabinet Administration

This savings initiative returns funding through disestablishment of the Strategy Unit and reduced staffing across other business units at the Department of the Prime Minister and Cabinet. This saving relates to finding back-office efficiencies.

This initiative contributes to the baseline savings target for the Department of the Prime Minister and Cabinet.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	(1.003)	(1.449)	(1.369)	(1.449)	(5.270)	-

#### Department of the Prime Minister and Cabinet Back-Office Functions

This savings initiative returns funding for discretionary expenditure related to secure office space leased by the Department of the Prime Minister and Cabinet. This saving relates to finding back-office efficiencies.

This initiative contributes to the baseline savings target for the Department of the Prime Minister and Cabinet.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	(0.420)	(0.420)	(0.420)	(0.420)	(1.680)	-

#### Department of the Prime Minister and Cabinet Discretionary Expenditure

This savings initiative returns funding for discretionary expenditure relating to a reduction in consultancy and external legal advice budgets, reduced cross-agency cyber security programme funding, a move from annual to a biennial National Risks Public Survey and reduced conference hosting sponsorships at the Department of the Prime Minister and Cabinet. This saving relates to finding back-office efficiencies and scaling back some lower-value activities.

This initiative contributes to the baseline savings target for the Department of the Prime Minister and Cabinet.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	(0.996)	(0.550)	(0.630)	(0.550)	(2.726)	-

#### National Centre of Research Excellence for Preventing and Countering Violent Extremism

This savings initiative returns funding through reducing the level of research funding administered by the National Centre of Research Excellence for Preventing and Countering Violent Extremism and not continuing the increase in this funding that was implemented in the 2023/24 financial year. Funding for the Centre will remain at its current level.

This initiative contributes to the baseline savings target for the Department of the Prime Minister and Cabinet.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Prime Minister and Cabinet	-	(0.825)	(0.825)	(0.825)	(0.825)	(3.300)	-

## Public Service

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(2.781)	(11.124)	-
<b>Total</b>	<b>(2.781)</b>	<b>(11.124)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Remuneration and Related Employment Costs of Chief Executives Contingency

This savings initiative returns funding from the contingency used to cover chief executive remuneration and related employment costs. This saving relates to more efficient management of the relevant appropriation.

This initiative contributes to the baseline savings target for the Public Service Commission.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Public Service	-	(0.400)	(0.400)	(0.400)	(0.400)	(1.600)	-

#### Public Service Commission Operating Efficiencies

This savings initiative returns funding from the Public Service Commission, including for full-time equivalent staff, contractors and consultants, and discretionary expenditure at the Public Service Commission. This saving relates to finding efficiencies.

This initiative contributes to the baseline savings target for the Public Service Commission.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Public Service	-	(2.100)	(1.800)	(1.800)	(1.800)	(7.500)	-

#### Social Wellbeing Agency Operating Efficiencies

This savings initiative returns funding for full-time equivalent staff at the Social Wellbeing Agency. This saving relates to finding of efficiencies. The functions of the Social Wellbeing Agency are to be transferred to the new Social Investment Agency from 1 July 2024.

This initiative contributes to the baseline savings target for the Public Service Commission.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Public Service	-	(0.506)	(0.506)	(0.506)	(0.506)	(2.024)	-

## Regulation

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	11.306	45.224	2.145
Savings and Revenue	-	-	-
<b>Total</b>	<b>11.306</b>	<b>45.224</b>	<b>2.145</b>

## New Government Commitments

### Ministry for Regulation – Establishment and Ongoing Funding

This initiative provides funding for establishing and operating the new Ministry for Regulation. This funding is in addition to funding that has been transferred from the Productivity Commission and the Treasury. This will enable the Ministry to undertake new functions, including undertaking regulatory sector reviews and ensuring compliance with new regulatory principles, and to expand existing functions, including quality assurance of regulatory impact statements.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Regulation	-	8.306	10.306	12.306	14.306	45.224	2.145

## Revenue

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	3,196.959	12,787.834	-
Savings and Revenue	(38.944)	(155.775)	7.400
<b>Total</b>	<b>3,158.015</b>	<b>12,632.059</b>	<b>7.400</b>

\* Table above includes Vote Revenue (departmental funding for day-to-day activities) and Vote Revenue: IRD-Crown (non-departmental funding to collect and pay tax revenue).

## New Government Commitments

### FamilyBoost

This initiative provides funding to create a new FamilyBoost tax credit for eligible parents of children enrolled in early childhood education (ECE) from 1 July 2024. The tax credit will reimburse up to 25 per cent of a household's ECE fees to a maximum of \$150 per fortnight, paid quarterly after taking into account ECE subsidies such as 20 hours ECE, and childcare subsidy payments. This initiative also provides funding to Inland Revenue, the Ministry of Education, and the Ministry of Social Development for the implementation and administration cost of this tax credit.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	13.900	11.100	9.100	9.100	43.200	-
Revenue (IRD-Crown)	-	174.000	171.000	167.000	165.000	677.000	-
Education	-	0.175	0.100	0.100	0.100	0.475	-
Social Development	0.242	1.604	1.322	1.322	1.322	5.812	5.550

### Investment in Compliance Activities

This initiative provides funding for and shows an increase in tax revenue from Inland Revenue's increased compliance activities on tax and student loan overseas-based borrowers, including those returning to or visiting New Zealand. There are further flow on impacts on Student Loans that are managed outside allowances, in keeping with the standard approach.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	29.000	29.000	29.000	29.000	116.000	-
Revenue (IRD-Crown)	-	(99.000)	(201.000)	(201.000)	(201.000)	(702.000)	-

### Online Casino Gambling Tax Changes

This initiative shows the increase in revenue from the collection of a gaming duty on online casino gambling. This initiative also provides funding to Inland Revenue for the implementation and administration costs of these changes.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	0.500	0.800	0.800	0.800	0.300	3.200	-
Revenue (IRD-Crown)	-	(45.000)	(47.000)	(49.000)	(52.000)	(193.000)	-

### Personal Income Tax and Independent Earner Tax Credit Threshold Changes

This initiative adjusts the current income tax thresholds (including the parameters of the Independent Earner Tax Credit) to provide tax relief and allow New Zealanders to keep more of their income. This initiative also provides funding to Inland Revenue and the Ministry of Social Development for the implementation and administration costs of these threshold adjustments.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	9.450	4.200	-	-	13.650	-
Revenue (IRD-Crown)	-	1,759.887	2,553.706	2,543.514	2,430.373	9,287.480	-
Housing and Urban Development	-	(0.218)	(0.578)	(1.064)	(1.085)	(2.945)	-
Social Development	0.132	96.848	221.416	327.235	340.069	985.700	1.439

### In-Work Tax Credit – Rate Increase

This initiative provides funding for a \$25 per week increase to the In-Work Tax Credit (a tax credit for families normally in paid work who have children) from 31 July 2024.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue (IRD-Crown)	-	150.220	162.220	155.220	152.220	619.880	-

### Restoring Interest Deductibility for Residential Rental Property

This initiative shows the decrease in tax revenue from introducing a phased approach to restoring interest deductibility for residential rental property.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue (IRD-Crown)	-	360.000	785.000	855.000	915.000	2,915.000	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Reduction in Operating Expenditure

This savings initiative returns funding from efficiencies found across Inland Revenue, enabling reductions in expenditure such as travel, training, accommodation, overtime, and contractors and consultants.

This initiative contributes to the baseline savings target for the Inland Revenue Department.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	(14.600)	(14.600)	(14.600)	(14.600)	(58.400)	-

#### Reduction in Systems Maintenance and Change Capacity

This savings initiative returns funding for systems maintenance and finding efficiencies through aligning change capacity work at Inland Revenue. The change capacity programme is designed to deliver the Government's Tax and Social Policy Work Programme and optimise customer and business outcomes.

This initiative contributes to the baseline savings target for the Inland Revenue Department.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	(15.000)	(15.000)	(15.000)	(15.000)	(60.000)	-

### Further Savings and Revenue Measures

#### Crypto-asset Regulatory Framework

This initiative provides funding for the development and administration of the Crypto-asset Reporting Framework and shows the increased tax revenue from implementation. The Crypto-asset Reporting Framework is a global minimum standard developed by the Organisation for Economic Co-operation and Development to ensure tax administrators globally have sufficient information to enforce tax laws on taxpayers who derive income from trading crypto assets.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	1.400	2.000	3.000	3.700	10.100	6.700
Revenue (IRD-Crown)	-	-	-	-	(50.000)	(50.000)	-

## Security Intelligence

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(3.440)	(13.760)	-
<b>Total</b>	<b>(3.440)</b>	<b>(13.760)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### New Zealand Security Intelligence Service Operating Efficiencies

This savings initiative returns funding from the New Zealand Security Intelligence Service by making efficiencies in areas including contractor and consultant spend, training and development, and travel.

This initiative contributes to the baseline savings target for the New Zealand Security Intelligence Service.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Security Intelligence	-	(3.440)	(3.440)	(3.440)	(3.440)	(13.760)	-

## Serious Fraud

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(0.600)	(2.400)	-
<b>Total</b>	<b>(0.600)</b>	<b>(2.400)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Operational Support and Service Delivery Optimisation – Serious Fraud Office

This savings initiative returns funding from operational support and service delivery optimisation such as data, technology and operational travel.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Serious Fraud	-	(0.400)	(0.400)	(0.400)	(0.400)	(1.600)	-

#### Workforce – Serious Fraud Office

This savings initiative returns funding from reductions to the Serious Fraud Office's core workforce. An organisational efficiency and effectiveness review will minimise the impact on service delivery.

This initiative contributes to the baseline savings target for the Justice Cluster.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Serious Fraud	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-



## Social Development

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	274.975	1,099.900	-
New Government Commitments	284.216	1,136.863	20.221
Savings and Revenue	(191.737)	(766.947)	(2.025)
<b>Total</b>	<b>367.454</b>	<b>1,469.816</b>	<b>18.196</b>

## Increased Funding for Core Services

### Disability Support Services

This initiative provides funding to Whaikaha – Ministry of Disabled People for the continued delivery of support to disabled people and their families. The funding will help meet increases in volume and inflationary pressures on the supply side of disability support services. Increased funding has been allocated in 2024/25 to address immediate pressures. Funding in future years will be informed by the review into disability support services currently under way.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	80.000	322.308	230.308	230.309	236.975	1,099.900	-

## New Government Commitments

### Historical Claims of Abuse in Care

This initiative provides time-limited funding to enable the Ministry of Social Development to resolve a further 2,000 claims of historic abuse of people while in the care of Child, Youth and Family or its predecessors without them having to resort to civil litigation. Funding is time-limited as the Government considers its response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	32.833	49.036	-	-	81.869	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Community Innovation Fund

This savings initiative returns funding for the Ministry of Social Development's Community Innovation Fund, which will now close. This fund has previously supported the development of new programmes or the response to adverse and crisis events in communities but has been undersubscribed. Returning funding does not impact direct-to-client services.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	(1.000)	(1.000)	(1.000)	(1.000)	(4.000)	-

#### Contractors and Consultants

This savings initiative returns funding by reducing spending on contractors and consultants at the Ministry of Social Development.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	(15.650)	(15.650)	(15.650)	(15.650)	(62.600)	-

## Housing Supports – Including Boarders’ Contributions in the Calculation of Subsidies for Private and Social Housing

This savings initiative returns funding by changing the way housing contributions are recognised when calculating housing subsidies from boarders (Accommodation Supplement, Temporary Additional Support, Special Benefit and Income Related Rent Subsidy) for recipients of board payments. Under current practice, the same accommodation costs can be counted more than once when calculating housing subsidies for a homeowner or primary tenant and their boarder. This policy change recognises that boarders’ contributions to housing costs effectively reduce the homeowner or primary tenant’s housing expenses. It ensures that all of the resources available to the household are taken into account when calculating housing subsidies, thereby addressing an inequity in the benefit system. By comparison, generally, beneficiaries who have other income have their benefits reduced.

The Vote Social Development amounts for this initiative contribute to the baseline savings target for the Ministry of Social Development. The Vote Housing and Urban Development amounts for this initiative contribute to the baseline savings target for the Ministry of Housing and Urban Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	2.017	(10.994)	(57.975)	(62.589)	(129.541)	6.894
Housing and Urban Development	-	-	-	(6.040)	(15.376)	(21.416)	-

## Minimum Wage Exemption – Discontinuation of Wage Supplement

This savings initiative returns funding by ceasing the design and implementation of wage supplement to replace minimum wage exemption permits. The Government will retain existing minimum wage exemption permits, as these help to create employment opportunities for disabled people who may otherwise not get the chance to experience paid employment and the social connection, purpose and skill development that comes with it.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	(2.405)	(11.340)	(13.397)	(14.967)	(14.236)	(56.345)	(10.001)
Revenue (IRD-Crown)	-	1.632	1.804	1.994	1.994	7.424	-

## Workforce Reduction

This savings initiative returns funding from a reduction in the number of staff at the Ministry of Social Development mostly resulting from finding efficiencies in back-office functions.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	(16.943)	(16.943)	(16.943)	(16.943)	(67.772)	-

## Operating Funding Reduction

This savings initiative returns funding for a range of departmental costs such as travel, printing and cleaning.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	(6.070)	(6.070)	(6.070)	(6.070)	(24.280)	-

## Several Time-Limited Initiatives

This savings initiative returns funding (excluding Recoverable Assistance) that had been appropriated for a range of time-limited initiatives. This includes funding to support the Ministry of Social Development’s response to the COVID-19 pandemic, funding for community programmes and funding for the development of a scheme to support people who were unable to access their Russian pensions due to the international response to Russia’s invasion of Ukraine.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	(12.830)	(9.787)	(20.515)	(20.000)	(20.000)	(83.132)	(0.442)

### Crown-Funded Costs – Social Workers Registration Board

This savings initiative returns funding for the Social Workers Registration Board mostly resulting from finding operating efficiencies. This will not directly impact functions funded by social worker fees or levies.

This initiative contributes to the baseline savings target for the Ministry of Social Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	-	(0.053)	(0.053)	(0.053)	(0.053)	(0.212)	-

### Further Savings and Revenue Measures

#### Emergency Housing – Tightening Gateway Settings and Continuing Support Services

This savings initiative returns funding as a result of fewer people being expected to need emergency housing over the next four years. The savings are due to policy and operational changes, as well as continued investment in support services. This investment will help people in emergency housing to access other services and, where possible, to find more sustainable accommodation. The Ministry of Social Development will also introduce clearer eligibility requirements for people seeking emergency housing to ensure emergency housing places are available to those who need it most.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Social Development	(6.489)	(19.403)	(53.700)	(126.352)	(144.602)	(350.546)	-

## Sport and Recreation

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(9.000)	(36.000)	-
<b>Total</b>	<b>(9.000)</b>	<b>(36.000)</b>	<b>-</b>

## Savings and Revenue

### Baseline Savings and Revenue

#### COVID-19 Recovery Funding for Sport and Recreation Programmes

This savings initiative returns funding for the time-limited Hawaiki Hou programme (part of the approved COVID-19 recovery package). This saving reduces Crown funding for this programme by 52 per cent. Approximately \$21 million of funding for the Hawaiki Hou programme remains. Reductions from the 2028/29 financial year and onwards will come from High Performance Sport New Zealand.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Sport and Recreation	-	(5.900)	(5.900)	(5.900)	(5.900)	(23.600)	-

#### Crown-funded Community Sport Programmes

This savings initiative returns funding from sport and recreation programmes, including the Tū Manawa and Healthy Active Learning programmes. Sport New Zealand intends to maintain these programmes at existing service levels through reprioritisations and operational efficiencies.

This initiative contributes to the baseline savings target for the Ministry for Culture and Heritage.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Sport and Recreation	-	(3.100)	(3.100)	(3.100)	(3.100)	(12.400)	-

## Statistics

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(16.300)	(65.200)	-
<b>Total</b>	<b>(16.300)</b>	<b>(65.200)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Discontinuation of the Living in Aotearoa Survey

This savings initiative returns funding as a result of a new approach to delivering the statistics required under the Child Poverty Reduction Act 2018, which will discontinue the Living in Aotearoa (LIA) survey. Instead, Stats NZ will deliver the statistics required using the Household Income and Living Survey (HILS) and administrative data.

This initiative contributes to the baseline savings target for Stats NZ.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Statistics	-	(4.000)	(4.000)	(6.000)	(6.000)	(20.000)	-

#### Office Space Operating and Lease Costs

This savings initiative returns funding by reducing Stats NZ's share of the operating and lease costs for office spaces in Wellington and Christchurch, by increasing the co-location of other agencies.

This initiative contributes to the baseline savings target for Stats NZ.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Statistics	-	(2.000)	(2.000)	(2.000)	(2.000)	(8.000)	-

#### Administration and Contractors and Consultants

This savings initiative returns funding for contractors and consultants and back office full-time equivalent staff at Stats NZ.

This initiative contributes to the baseline savings target for Stats NZ.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Statistics	-	(9.300)	(9.300)	(9.300)	(9.300)	(37.200)	-

## Te Arawhiti

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	10.900	43.600	-
New Government Commitments	-	-	-
Savings and Revenue	(2.740)	(10.959)	-
<b>Total</b>	<b>8.160</b>	<b>32.641</b>	<b>-</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Crown Response to Wakatū Litigation and Related Proceedings

This initiative provides funding to support the ongoing Crown response to the Wakatū litigation and any related proceedings, focusing on the first appeal process (Court of Appeal) through to 2027/28.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Te Arawhiti	-	3.600	-	-	-	3.600	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Claimant Funding for Historical Treaty of Waitangi Settlement Claimants

This savings initiative returns funding from the Claimant Funding for Historical Treaty of Waitangi Settlement Claimants appropriation, which has historically been underspent. Claimants will still be able to access the funding to which they are entitled.

This initiative contributes to the baseline savings target for Te Arawhiti, a departmental agency hosted by the Ministry of Justice.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Te Arawhiti	-	(2.393)	(2.393)	(2.393)	(2.393)	(9.572)	-

## Tertiary Education

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	40.949	163.797	-
New Government Commitments	2.183	8.731	-
Savings and Revenue	(280.935)	(1,123.741)	(220.000)
<b>Total</b>	<b>(237.803)</b>	<b>(951.213)</b>	<b>(220.000)</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

Note, the initiatives which reprioritise existing funding towards cost pressures are included below.

### Managing Tertiary Education and Training System Pressures: Increased Subsidies

This initiative provides funding for a 2.5 per cent increase in 2025 to tertiary education and training subsidies, which are the Government's contribution to the cost of delivering tertiary education and training for over 470,000 New Zealanders. This initiative works alongside the Managing Tertiary Education and Training System Pressures: Increased Fees initiative to help providers manage cost pressures and maintain the quality of their delivery.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	40.171	76.490	74.803	74.858	266.322	-

### Adult and Community Education in Schools Coordination

This initiative reprioritises funding for Adult and Community Education in Schools Coordination a recent initiative to encourage more schools to provide adult and community education (ACE) through coordination funding. The funding was intended to support with initial set-up costs related to providing ACE in Schools for the first time, growing existing provision in priority areas or expanding into different priority areas of provision. However, there has been limited interest from schools not already providing ACE. This initiative does not reduce funding for existing ACE provision.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	(0.250)	(0.500)	(0.500)	(0.500)	(1.750)	-

### Adult Literacy Educator Grant

This initiative reprioritises funding for the Adult Literacy Educator Grant (ALEG). ALEG funding was intended to reduce fees for tertiary education teaching staff studying to complete adult literacy education qualifications. However, there are now several programmes with zero fees, making this funding redundant. This fund was not allocated in 2023 or 2024.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	(0.434)	(0.445)	(0.445)	(0.445)	(0.445)	(2.214)	-

### Centres of Vocational Excellence

This initiative reprioritises funding for Centres of Vocational Excellence (CoVEs) once the two existing contracts end in 2025. CoVEs were established as part of the Reform of Vocational Education, and their work is project-based and determined in connection with industry. Two pilot CoVEs were established in 2020, one for primary industries (Food and Fibre CoVE) and one for construction and infrastructure (ConCOVE).

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	-	(5.000)	(5.000)	(5.000)	(15.000)	-

## Centres of Asia-Pacific Excellence

This initiative reprioritises funding from the closure of contracts ending 1 July 2024 for Centres of Asia-Pacific Excellence (CAPEs). CAPEs were university-led, cross institutional initiatives that were disestablished in Budget 2023.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	(10.000)	-	-	-	-	(10.000)	-

## Gateway Fund

This initiative reprioritises funding for the Gateway Fund, which has been underutilised in recent years. Gateway funding enables secondary schools to give senior students access to structured workplace learning integrated with school-based learning. Approximately \$24 million operating per annum remains in the fund to support these services.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	(1.500)	(1.500)	(1.500)	(1.500)	(1.500)	(7.500)	-

## Higher Education Collaboration Fund

This initiative reprioritises funding for the Higher Education Collaboration Fund, which was established in October 2023 to support collaborative provision of higher education across two or more providers with a focus on preserving learner access to particular programmes. The Tertiary Education Commission has not yet invited applications or administered any funding.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	(1.000)	(3.000)	(1.000)	-	-	(5.000)	-

## Underspends Within Vote Tertiary Education

This savings initiative returns funding for tertiary education and training and Fees Free payments subsidies in 2023/24. These underspends occurred as enrolments in 2023 were lower than the level funded.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	(61.061)	-	-	-	-	(61.061)	-

## New Government Commitments

### Apprenticeship Boost Continuation

This initiative provides funding to implement the coalition Government's commitment to continue Apprenticeship Boost beyond the end of 2024. Apprenticeship Boost provides subsidies to employers of eligible apprentices to help keep them employed and training towards their qualification and to incentivise employers to take on new apprentices. This initiative provides funding for targeted industries from 1 January 2025 at \$500 a month per eligible apprentice and targeted to first-year apprentices only.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	-	0.600	0.600	0.600	1.800	-
Social Development	-	(22.771)	28.623	28.623	28.623	63.098	-

### Te Pūkenga Disestablishment and Transition

This initiative provides funding in a tagged contingency to support the Government's commitment to disestablish Te Pūkenga – New Zealand Institute of Skills and Technology and restore regional decision-making. As Cabinet has yet to make decisions on the details of the new system design and its structure will require changes to legislation, the cost estimates may change as work progresses. These figures have been withheld due to commercial sensitivity.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	-



## Savings and Revenue

### Baseline Savings and Revenue

#### Education New Zealand Operating Efficiencies

This savings initiative returns funding for Education New Zealand Manapou ki te Ao. Savings will be made through operational efficiencies including by reducing departmental back-office spend, reducing expenditure relating to travel and IT services and reducing some sector funding.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	(2.325)	(2.325)	(2.325)	(2.325)	(9.300)	-

#### Ministry of Education Operating Efficiencies

This savings initiative returns funding through reducing the total number of full-time equivalent staff at the Ministry of Education. This is due to the cessation of some programmes of work and efficiencies in other areas. The Ministry of Education will focus on resources that deliver outcomes for learners.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	(1.182)	(1.193)	(1.193)	(1.193)	(4.761)	-

#### Tertiary Education Commission Operating Efficiencies

This savings initiative returns funding for the Tertiary Education Commission. These savings will be met by aligning services to the Government's priorities and reducing expenditure relating to travel, contractors and consultants and IT services.

This initiative contributes to the baseline savings target for the Ministry of Education.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	(3.720)	(3.720)	(3.720)	(3.720)	(14.880)	-

### Further Savings and Revenue Measures

#### Fees Free – Replacing First-Year with Final-Year Fees Free

This initiative implements the Government's commitment to stop first-year Fees Free and replace it with a final-year Fees Free scheme. The first-year Fees Free scheme will close to new entrants at the end of 2024 and will be replaced with a final-year Fees Free scheme from 2025. Learners entering their final year of study from January 2025 will be eligible, and payment will be made following completion of their study programme. Treatment of flow-on impacts on Student Loans are managed outside allowances, as is standard practice.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	0.449	(179.559)	(264.149)	(249.493)	(200.673)	(893.425)	-
Revenue	-	0.320	0.435	0.735	1.035	2.525	0.700
Revenue (IRD-Crown)	-	-	-	-	-	-	-
Social Development	-	1.269	2.640	3.379	4.193	11.481	1.524

#### Workforce Development Councils

This savings initiative returns funding for Workforce Development Councils (WDCs). Legislation is intended to be progressed in 2024/25 on future arrangements for the functions currently performed by WDCs alongside decisions on the funding of these functions.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	-	(65.000)	(65.000)	(65.000)	(195.000)	-

# Capital Review Savings

## Te Pūkenga Transformation Programme

This savings initiative returns the value of a Crown loan approved in Budget 2023 for Te Pūkenga Digital Transformation programme. This work programme has ceased pending decisions on the disestablishment of Te Pūkenga. The loan is no longer required for its intended purpose and is being returned in full.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tertiary Education	-	-	-	-	-	-	(220.000)

## Transport

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	116.936	467.744	-
New Government Commitments	(76.225)	(304.901)	3,764.250
Savings and Revenue	(138.584)	(554.335)	(39.750)
<b>Total</b>	<b>(97.873)</b>	<b>(391.492)</b>	<b>3,724.500</b>

Note: The Vote summary table above includes funding for initiatives that have been withheld due to commercial and/or negotiation sensitivity. The aggregated total of individual initiatives will therefore not reconcile to the table above.

## Increased Funding for Core Services

### Completion of Auckland's Rail Network Rebuild Programme

This initiative provides funding to complete the Rail Network Rebuild programme in Auckland and to address historical formation, drainage and track issues. This investment is critical to ready the network for the opening of City Rail Link.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	95.600	63.600	-	-	159.200	-

### Metropolitan Rail Renewals in Auckland and Wellington

This initiative provides funding to address backlog renewals to avoid critical network failure risk in Auckland and Wellington metro areas. This initiative also provides funding to address shortfalls in funding annual maintenance and renewals in Auckland and Wellington (local government portion), enabling work to be delivered to lift service reliability while the Minister of Transport's Metro Rail Operating Model review addresses respective council/Crown funding responsibilities and definitions.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	107.700	-	-	-	107.700	-

### Maintaining Critical Frontline Water Safety Services

This initiative provides funding to Surf Life Saving New Zealand and Coastguard New Zealand to support the provision of critical water safety services.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	13.671	15.112	16.606	18.255	63.644	-

## New Government Commitments

### Civil Aviation Authority and Aviation Security Service

This initiative provides funding for the Civil Aviation Authority (including the Aviation Security Service) following the ongoing impacts of COVID-19 restrictions on overall aviation and levy revenue. The funding will ensure the Civil Aviation Authority can deliver its core regulatory functions and meet statutory obligations in 2024/25 until a new cost recovery model is implemented in 2025. Underspends from 2023/24 are being carried forward to reduce the amount of new funding required.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(45.013)	88.970	-	-	-	43.957	-

### Draft Government Policy Statement on Land Transport 2024 (issued March 2024)

This initiative gives effect to and provides funding for decisions taken through the draft Government Policy Statement on Land Transport 2024 (issued March 2024) (GPS). The draft GPS 2024 introduces revenue changes, reduces the operating funding required and seeks to focus investment on delivering the Roads of National Significance and other major projects.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(161.000)	(200.000)	(255.000)	(100.000)	(716.000)	1,955.000

### Government Policy Statement on Land Transport 2024

This initiative provides funding held in contingency for the New Zealand Transport Agency to accelerate delivery of land transport priorities, including the Roads of National Significance, as set out in the draft Government Policy Statement on Land Transport 2024.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	1,000.000

### Severe Weather Response Readiness, Resilience and Recovery

This initiative provides funding held in contingency for four non-government organisations (Surf Life Saving New Zealand, Coastguard New Zealand, New Zealand Land Search and Rescue, and Amateur Radio Emergency Communications) to replace assets that were destroyed or damaged in the North Island weather events. It also provides targeted training, personal protective equipment and regional equipment caches for these organisations to improve the response to future severe weather or emergency events. Funding has been provided through reprioritisation within Vote Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	18.031	1.834	1.648	1.629	23.142	-

### North Island Weather Events – Road Response and Recovery

This initiative provides time-limited funding for the recovery, response and rebuild of New Zealand's state highway and local road network following the North Island weather events (Cyclone Gabrielle and January 2023 Floods) in early 2023.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	50.000	280.000	-	-	-	330.000	609.250

### Delivering a Rail Network Investment Programme 2024 to 2027

This initiative provides funding held in contingency to support KiwiRail to deliver a Rail Network Investment Programme for 2024 to 2027.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	-	-	-	-	-	200.000

### Emergency Ocean Response Capability for the Cook Strait

This initiative provides funding partly held in contingency to develop a business case that considers options to improve New Zealand's maritime emergency ocean response capability, specifically the ability to stabilise and/or tow vessels that encounter difficulties at sea.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	0.600	-	-	-	0.600	-

# Savings and Revenue

## Baseline Savings and Revenue

### Civil Aviation Authority Policy Functions

This savings initiative returns funding from the Civil Aviation Authority and relates to finding efficiencies through reduced back-office spending for policy full-time equivalent staff that assist in advice and services to support Ministers in the discharge of their portfolio responsibilities (ministerial servicing).

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(0.158)	(0.118)	(0.096)	(0.096)	(0.468)	-

### Clean Vehicle Discount

This savings initiative returns funding no longer required as a result of the Government's decision to end the Clean Vehicle Discount Scheme.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(10.000)	-	-	-	-	(10.000)	-

### Clean Vehicle Standard Administration

This savings initiative returns funding for Clean Vehicle Standard administration due to finding efficiencies by transitioning to cost recovery on a user-pays basis from 1 July 2025. Administration costs associated with 2024/25 will be funded through section 9(1A) of the Land Transport Management Act 2003 while work is undertaken to transition to a user-pays model.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(11.842)	(11.842)	(11.842)	(11.842)	(47.368)	-

### Community Connect Programme Administration Costs

This savings initiative reduces funding available for Community Connect administration costs. The full appropriated amount is no longer required due to the Government's decision to remove half-price fares for under-25-year-olds and free fares for under-13-year-olds from the Community Connect Programme.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(1.683)	(1.718)	(1.719)	(1.719)	(6.839)	-

### Community Connect Programme Concessions

This savings initiative returns funding allocated to the Community Connect Programme to give effect to the Government's decision to remove half price fares for under-25-year-olds and free fares for under-13-year-olds from the Community Connect Programme. Funding is still provided for Community Services Card holder concessions.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(34.708)	-	-	-	-	(34.708)	-

### Maritime New Zealand

This savings initiative returns funding for 2023/24 as a result of lower-than-expected costs to support Maritime New Zealand's liquidity until its funding review can be implemented on 1 July 2024.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(14.000)	-	-	-	-	(14.000)	-

### Maritime New Zealand Policy and Security Functions

This savings initiative reduces baseline funding by finding efficiencies in maritime security and maritime policy advice roles. No reduction in service levels is expected.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(0.525)	(0.525)	(0.525)	(0.525)	(2.100)	-

### Ministry of Transport Policy, Contractors and Consultants, and Back-Office Functions

This savings initiative reduces operating funding for back-office functions by reducing full-time equivalent staff on lower-priority work areas and reducing spending on contractors and consultants at the Ministry of Transport.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(3.630)	(3.520)	(3.415)	(3.415)	(13.980)	-

### New Zealand Transport Agency Land Transport Regulatory Services

This savings initiative relates to finding efficiencies through a reduction in operating funding from the Land Transport Regulatory Services appropriation.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(0.193)	(0.193)	(0.193)	(0.193)	(0.772)	-

### New Zealand Transport Agency Transport Resilience Fund Administration Funding

This savings initiative relates to finding efficiencies through a reduction in operating funding for back-office functions, including full-time equivalent staff that administer the Transport Resilience Fund at the New Zealand Transport Agency.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

### Public Transport Workforce Sustainability and Skill Improvement Programme

This savings initiative returns funding for Tranche 2 in the Public Transport Workforce Sustainability and Skill Improvement Programme that related to work on penal rates and split shifts. Approximately \$21 million operating per annum remains in 2024/25 and 2025/26 to continue Tranche 1 work and begin delivery of Tranche 3. Tranche 3 is critical to support public transport operators and councils to provide better facilities and enhance bus driver safety and comfort. Infrastructure improvements are expected to include new safety screens, toilet infrastructure, break room areas and safety equipment.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(22.700)	(11.400)	(12.800)	-	-	(46.900)	-

### Transport Choices and Vehicle Kilometres Travelled Reduction Programme

This initiative reduces funding allocated to the Transport Choices and Vehicle Kilometres Travelled reduction programmes to focus on uncommitted projects only. Approximately \$55 million remains in 2024/25 for this programme, descopeing the programme to focus on committed projects only. The returned funding will be partially reallocated towards priority activities within Vote Transport with the remainder being returned to the Crown.

This initiative contributes to the baseline savings target for the Ministry of Transport.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(149.860)	-	-	-	-	(149.860)	-

## Further Savings and Revenue Measures

### Auckland Light Rail

This initiative returns funding no longer required as a result of the Government's decision to stop work on the Auckland Light Rail project.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(33.000)	-	-	-	-	(33.000)	-

## Return of Tagged Contingencies

### Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package

This savings initiative returns funding held in contingency to support the implementation of the Enabling Drone Integration package.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	(3.845)	(1.635)	(1.637)	-	-	(7.117)	(1.750)

## Capital Review Savings

### Hopper Wagons

This savings initiative returns funding from the rolling stock procurement programme. The uncommitted component was intended to respond to future demand for coal hopper wagons. This demand has not yet eventuated and there are alternative rolling stock options available to meet demand if it does eventuate.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	-	-	-	-	-	(38.000)

### Rail Resilience Improvements

This savings initiative returns funding associated with resilience improvements to the Palmerston North to Gisborne line and North Auckland line following the North Island weather events. The return of this funding offsets cost pressures for critical maintenance and renewals on Auckland and Wellington metropolitan rail lines.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(130.700)	(50.000)	-	-	-	(180.700)	-

## Women

	Budget 2024 Operating Average (\$m)	Operating Total (\$m)	Capital Total (\$m)
<b>Budget Breakdown for Vote</b>			
Increased Funding for Core Services	-	-	-
New Government Commitments	-	-	-
Savings and Revenue	(1.100)	(4.400)	-
<b>Total</b>	<b>(1.100)</b>	<b>(4.400)</b>	-

## Savings and Revenue

### Baseline Savings and Revenue

#### Accommodation Expenditure

This savings initiative returns funding for accommodation expenditure at the Ministry for Women by reducing office capacity.

This initiative contributes to the baseline savings target for the Ministry for Women.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Women	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

#### Back-Office Functions Discretionary Expenditure

This savings initiative returns funding from rationalising back-office support services. This will be achieved from business process efficiencies and aligning services to match reduced overall staff for the Ministry for Women from 2024/25.

This initiative contributes to the baseline savings target for the Ministry for Women.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Women	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

#### Contractors and Consultants

This savings initiative returns funding for contractors and consultants at the Ministry for Women. The savings will be realised by reducing expenditure on research and project-based initiatives.

This initiative contributes to the baseline savings target for the Ministry for Women.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Women	-	(0.200)	(0.200)	(0.200)	(0.200)	(0.800)	-

#### Rescoping Policy Work Programme

This savings initiative returns funding by reducing the scope of the existing policy work programme to align with Government priorities. It includes reducing investment on in-house data and insights capability, reducing contributions to the Public Service Commission's Equal Pay Taskforce and reducing expenditure on the refresh of the Bringing Gender In tool.

This initiative contributes to the baseline savings target for the Ministry for Women.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Women	-	(0.500)	(0.500)	(0.500)	(0.500)	(2.000)	-



## Initiatives Funded Outside Budget Allowances

This section contains initiatives agreed through the Budget 2024 process that are not counted against the Budget 2024 operating allowance and/or the Multi-Year Capital Allowance. These initiatives have a direct impact on the Operating Balance Before Gains and Losses, net Core Crown Debt, and/or are funded through reprioritisation of existing baseline funding, other Levies, and other Revenue sources. As these initiatives are not funded against allowances, the figures are not reflected in the tables below.

### Courts

#### Te Ao Mārama Programme – Targeting Delivery to Certain Sites Tagged Contingency

This savings initiative will hold \$25.320 million total operating funding for Te Ao Mārama in contingency while the Ministry of Justice focuses on the implementation of the programme in existing sites and gathers information about effectiveness. It is intended that this funding could become available to expand the Te Ao Mārama programme to additional sites if a review of the existing programmes finds it has been effective. The funding held in contingency relates to the growth in the number of sites.

### Education

#### Marlborough Boys' and Girls' Colleges and Bohally Intermediate Redevelopments – Write-off Costs

This initiative covers the 2023/24 write-off costs totalling \$13.397 million total operating in 2023/24 to complete the Ministry of Education's preferred solution to address priority condition issues at Marlborough Boys' and Girls' Colleges and Bohally Intermediate.

### Health

#### New Dunedin Hospital

This initiative reprioritises capital funding held in the District Health Board Equity Support Capital Contingency into a new capital contingency to address cost pressures faced by New Dunedin Hospital.

#### Mental Health and Addiction Community Sector Innovation Fund

This initiative provides \$9.720 million total operating funding for a national Mental Health and Addiction Community Sector Innovation Fund by reprioritising existing baseline funding. This will enable community organisations to submit proposals for innovative new time-limited approaches to address the mental health and wellbeing needs of New Zealanders.

#### Waikato New Medical School – Independent Cost Benefit Analysis and Business Case Development

This initiative provides \$2.575 million total operating funding by reprioritising existing baseline funding for the Ministry of Health to commission an independent cost-benefit analysis and business case development of the proposal for a new medical school at the University of Waikato.

### Justice

#### Increased Financial Grants to Victims of Serious Crime

This initiative provides a total of \$8.000 million operating funding across the forecast period to increase financial grants to victims of serious crimes to cover unexpected costs of the crime or to support the victim to participate in the justice process. This is funded from existing funding set aside for the Victims of Crime: Improving Outcomes tagged contingency.

### Labour Market

#### WorkSafe Health and Safety at Work

This savings initiative reduces \$8.561 million total operating funding for WorkSafe from the Health and Safety at Work levy, tagged for Plant and Structures regulatory reform implementation. The savings from this initiative are entirely from the Health and Safety at Work Levy revenue with no impact on the operating allowance for Budget 2024.

## **Tertiary Education**

### **Increasing the Student Loan Scheme Overseas Interest Formula by 1 Per cent for Five Years**

This initiative increases the student loan overseas interest formula by 1 per cent for five years to partially cover the loss in value of the Student Loan Scheme due to three years of high inflation. The changes will take effect from 1 April 2025. Treatment of flow-on impacts on Student Loans are managed outside allowances. This initiative also relates to Vote Revenue.

### **Managing Tertiary Education and Training System Pressures: Increased Fees**

This initiative provides funding to enable providers to increase tuition and training fees charged to learners by up to 6 per cent in 2025, which incurs additional Crown expenditure through the Student Loan Scheme. This reflects that tertiary education providers have been unable to increase fees in line with inflation in recent years. This initiative works alongside the related cost pressure initiative Tertiary Education and Training System Pressures: Increased Subsidies. Treatment of flow-on impacts on Student Loans are managed outside allowances. This initiative also relates to Vote Revenue and Vote Social Development.

## **Transport**

### **Civil Aviation Authority Health and Safety at Work Act Delegations**

This initiative provides an additional year of increased Working Safer Levy funding (\$2.800 million in 2024/25) for the Civil Aviation Authority to support implementation of Health and Safety at Work Act 2015 delegations.

## Budget 2024 Pre-commitments

### Business, Science and Innovation

#### Bowen House Strengthening and Fit-out Works

This initiative provides funding to support the fit-out and strengthening work of Bowen House.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	-	-	-	-	-	13,000

### Education

#### Education Forecast Changes

This initiative provides funding for demand-driven appropriations in Vote Education for early childhood education expenditure, teacher salaries, schools' operational funding, school transport funding, and a contribution towards the maintenance of school property at state-integrated schools.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	84,000	138,000	168,000	199,000	589,000	-

#### Education Sector Collective Bargaining Settlements

This initiative provides additional funding to support the outcomes of the 2023 Secondary Teacher Bargaining settlement following the Arbitration Panel's recommendations.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	76,964	130,419	98,420	98,420	404,223	-

#### School Property Programme – Tagged Operating Contingency

This initiative draws down funding from the Budget 2019 National Education Growth Plan operating contingency to support roll growth in schools. Funding was pre-committed through Budget 2019 against operating allowances out to Budget 2024 to reflect the stream -year nature of investment, and operating and capital contingencies were established. This initiative draws down the third wave of funding and supports a further 3,102 student places.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	-	-	-	-	17,209	17,209	-

### Finance

#### Establishing a North Island Weather Events Loan Guarantee Scheme to Support Recovery for Highly Impacted Firms

This initiative establishes a business loan guarantee scheme to provide relief to New Zealand firms that incurred a material financial impact (such as decreases to cash flow, revenue, or asset value) as a result of the North Island weather events but have a pathway to restored cash flow.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Finance	121,000	-	-	-	-	121,000	-

### Health

#### Repealing Amendments to the Smokefree Environments and Regulated Products Act 1990

This initiative recognises the forecast fiscal impact of repealing amendments to the Smokefree Environments and Regulated Products Act 1990, removing requirements for denicotinisation and removing the reduction in retail outlets and the smokefree generation ban.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Health	-	(100,000)	(400,000)	(500,000)	(500,000)	(1,500,000)	-

## Revenue

### Digital Services Tax

This initiative reflects increased revenue from the introduction of the digital services tax legislation as a backstop to a multilateral solution being developed by the Organisation for Economic Co-operation and Development.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	-	(129.000)	(93.000)	(98.000)	(320.000)	-

## Transport

### Stopping Work on Auckland Light Rail

This savings initiative returns funding for land acquisition to give effect to the Government's 100-Day Plan commitment to stop work on the Auckland Light Rail project.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	-	-	-	-	-	(98.000)

### Revised Draft Government Policy Statement on Land Transport 2024: Release for Public Consultation (core GPS) – National Land Transport Fund (NLTF)

This initiative hypothecated ongoing traffic infringement fee revenue to the National Land Transport Fund. This decision was reversed at the Mini Budget and Budget 2024 by rescinding all operating pre-commitments against the GPS.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	100.000	100.000	100.000	100.000	400.000	-

### Revised Draft Government Policy Statement on Land Transport 2024: Release for Public Consultation (SIP) – National Land Transport Fund (NLTF)

This initiative provided funding to advance the previous Government's Strategic Investment Programme. This decision was reversed at the Mini Budget and Budget 2024 by rescinding all operating pre-commitments against the GPS.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	191.000	265.000	385.000	-	841.000	-

## Mini Budget

### Agriculture, Biosecurity, Fisheries and Food Safety

#### Primary Sector – Industry Transformation Plans

This savings initiative returns funding from stopping work on the Food and Beverage, Fisheries and Forestry and Wood Processing Industry Transformation Plans.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Agriculture, Biosecurity, Fisheries and Food Safety	(0.670)	(2.000)	(2.000)	-	-	(4.670)	-
Forestry	(1.950)	(9.700)	(8.000)	-	-	(19.650)	-
Tagged Contingency	(2.000)	(2.000)	(1.000)	-	-	(5.000)	-

### Business, Science and Innovation

#### Business, Science and Innovation – Industry Transformation Plans

This savings initiative returns uncommitted funding for the Tourism, Agritech and Digital Technologies Industry Transformation Plan programmes.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(38.493)	(35.454)	(16.583)	(15.941)	(20.529)	(127.000)	-

#### Government Investment in Decarbonising Industry Fund

This savings initiative returns uncommitted funding for the Government Investment in Decarbonising Industry Fund.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	(101.775)	(214.172)	(191.053)	(139.700)	(646.700)	-

#### Stop Work on Lake Onslow

This savings initiative returns funding from stopping work to investigate a pumped hydro scheme at Lake Onslow.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	(63.650)	-	-	-	-	(63.650)	-

## Education

#### Unwinding of Budget 2023 Early Childhood Education Extension to Two-year-olds

This savings initiative returns funding provided in Budget 2023 for the extension of 20 Hours Early Childhood Education to two-year-olds.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Education	(83.747)	(271.599)	(272.325)	(274.961)	(278.505)	(1,181.137)	-

## Environment

#### Resource Management Reforms

This savings initiative returns funding for implementation of resource management reforms following the repeal of the Natural and Built Environment Act and the Spatial Planning Act in December 2023.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(61.107)	(78.027)	(80.156)	(82.306)	(301.596)	-

## Labour Market

### Repeal Fair Pay Agreements Regime

This savings initiative returns funding in the Workplace Relations and Safety portfolio as a result of the repeal of the Fair Pay Agreements regime.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	(1.575)	(15.772)	(15.807)	(15.807)	(15.807)	(64.768)	-

### Stop Establishment of New Zealand Income Insurance Scheme

This savings initiative returns funding from stopping work to establish a New Zealand Income Insurance Scheme.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Labour Market	-	(2.047)	(2.047)	(2.047)	(2.047)	(8.188)	-

## Revenue

### Bright-line Test Adjustment

This initiative shows the decrease in tax revenue from changing the bright-line test to two years from 1 July 2024.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	45.000	45.000	45.000	45.000	180.000	-

### Deny Depreciation Deductions for Commercial and Industrial Buildings

This initiative shows the increase in tax revenue from denying depreciation deductions for commercial and industrial buildings.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Revenue	-	(57.000)	(1,120.000)	(567.000)	(567.000)	(2,311.000)	-

## Social Development

### Indexing Main Benefits Rates to the Consumer Price Index from 1 April 2024

This initiative adjusts the rate of main benefits by inflation based on the annual percentage movements in the Consumer Price Index.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Various Votes	14.342	22.007	(119.385)	(246.209)	(347.182)	(676.427)	-

## Transport

### Return of Operating Funding Pre-committed Against the Climate Emergency Response Fund

This savings initiative returns funding previously pre-committed against the Climate Emergency Response Fund to deliver the previous Government's August 2023 draft Government Policy Statement on Land Transport 2024.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(166.667)	(166.667)	(166.667)	-	(500.000)	-

### Stopping the Clean Vehicle Discount

This savings initiative returns funding to give effect to the Government's decision to end the Clean Vehicle Discount Scheme.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	(50.000)	-	-	-	-	(50.000)	-

### Exiting the Crown's contributions to Let's Get Wellington Moving

This savings initiative returns funding previously pre-committed to deliver the previous Government's August 2023 draft Government Policy Statement on Land Transport. Returning this funding gives effect to the Government's decision to stop work on the Let's Get Wellington Moving Project.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(130.000)	(165.000)	(230.000)	-	(525.000)	(355.000)

### Remove Free Fares 5 to 12-year-olds and Half-price Fares for 13 to 24-year-olds from the Community Connect Programme

This savings initiative returns funding provided to implement and operate two public transport concessions through the Community Connect Programme.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	(65.303)	(65.303)	(67.303)	(67.303)	(265.212)	-

## Other

### Return of Funding from the Climate Emergency Response Fund

This initiative reallocates remaining unallocated funds in the Climate Emergency Response Fund.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Other	-	(300.000)	(300.000)	(300.000)	-	(900.000)	(100.000)

# 2023 Pre-Election Economic and Fiscal Update Pre-commitments

## Business, Science and Innovation

### Establishing the Primary Producer Finance Scheme – 2023 North Island Weather Events

This initiative provides funding for eligible land-based primary producers that were severely impacted by the North Island weather events in early 2023.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Business, Science and Innovation	-	-	-	-	-	-	240.000

## Transport

### Revised Draft Government Policy Statement on Land Transport 2024: Release for Public Consultation (SIP)

This initiative provides funding to deliver the previous Government’s Strategic Investment Programme. This capital funding has been retained for the National Land Transport Fund but will be reprioritised to give effect to this Government’s Land Transport GPS.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Transport	-	-	-	-	-	-	1,544.000



## Initiatives Related to Time-limited Funding

### Time-limited Initiatives Prior to Budget 2024

The following table outlines programmes that have previously received time-limited funding and how they have been managed in Budget 2024. These initiatives relate to the list of time-limited funding announced as part of the Mini Budget.

Vote	Title	Page	Previously Time-limited to:	Funded Through Budget 2024 Until:	Total Operating (\$m)	Total Capital (\$m)	Reason for Time-limited Funding
Arts, Culture and Heritage	New Zealand Screen Production Rebate (Domestic)	11	2022/23	2025/26	67.400	-	Forecast expenditure is uncertain for the rebate and time-limited funding provides an opportunity for costs to be considered in future Budgets
Arts, Culture and Heritage	Te Matatini – Funding to Stimulate the Sustainable Growth of Kapa Haka	11	2024/25	Ongoing	48.737	-	N/A
Building and Construction	Temporary Accommodation Services	14	2023/24	2025/26	27.833	-	Extension of temporary policy
Business, Science and Innovation	New Zealand Screen Production Rebate – International	15	2025/26	2025/26	113.761	-	Forecast expenditure is uncertain for the rebate and time-limited funding provides an opportunity for costs to be considered in future Budgets
Business, Science and Innovation	Kānoa Operating Funding	15	2023/24	Ongoing	88.000	-	N/A
Business, Science and Innovation	Geohazards Science Services, Data and Modelling	15	2023/24	Ongoing	106.943	-	N/A
Education	Ka Ora, Ka Ako   Healthy School Lunches Programme	36	2024/25	2026/27	476.358	1.200	Funding until end of 2026 school year, pending review of programme
Education	Cyber Security Programmes	35	2023/24	Ongoing	93.668	69.310	Capital funding associated with this initiative is time-limited because the necessary equipment replacement will be completed by the end of that 2026/27 year

Vote	Title	Page	Previously Time-limited to:	Funded Through Budget 2024 Until:	Total Operating (\$m)	Total Capital (\$m)	Reason for Time-limited Funding
Education	Equitable Digital Access	N/A	2023/24	No funding provided	-	-	This programme is not being continued as it was a temporary COVID-19 initiative designed to ensure students had internet access to support distance learning
Education	Teacher Supply Initiatives	38	2023/24	Ongoing	52.625	-	
Foreign Affairs	International Climate Financing Funding	N/A	2024/25	N/A	-	-	Decision not required in Budget 2024, subject to future ministerial decisions
Health	Pharmac – Combined Pharmaceutical Budget and COVID-19 Therapeutics and Vaccinations	52	2023/24	Ongoing	1,773.680	-	N/A
Housing and Urban Development	Transitional Housing Motels	N/A	2024/25	N/A	-	-	Government policy to end transitional housing motels
Oranga Tamariki	Oranga Tamariki Disability Support Services <sup>12</sup>	69	2024/25	Ongoing	99.784	-	N/A
Social Development	Historic Claims of Abuse in Care	83	2023/24	2025/26	81.869	-	Aligns with Government policy review
Tertiary Education	Apprenticeship Boost	90	2024/25	Ongoing	64.898	-	N/A
Tertiary Education	Tertiary Tuition and Training Funding Baseline Pressure	N/A	End of 2025	N/A	-	-	Pending updated forecasts for 2026 onwards
Transport	Civil Aviation Authority Liquidity Funding	93	2023/24	2024/25	43.957	-	Pending implementation of new cost recovery model
Transport	North Island Weather Events Road Response and Recovery	94	2023/24	2025/26	330.000	609.250	Funding provided to continue North Island weather events response
<b>Total</b>					<b>3,469.513</b>	<b>679.760</b>	

<sup>12</sup> This relates to the *High Needs Children Services* initiative funded in Budget 2024 in Vote Oranga Tamariki.

## Time-limited Funding in Budget 2024

The below table outlines initiatives that received time-limited funding in Budget 2024 that are subject to review before further funding is considered.

Vote	Title	Page	Funded to:	Total Operating (\$m)	Total Capital (\$m)	Reason for time-limited funding
Prime Minister and Cabinet	Establishment of Delivery Unit Function	75	2025/26 only	0.600	-	Pending review
Prime Minister and Cabinet	Baseline Stabilisation of Core Functions	75	2025/26 only	4.258	-	Pending review of appropriate level of ongoing baseline
Education	NZQA Stabilisation of Core IT Systems and NCEA Service Delivery	37	2024/25	10.000	-	Ensuring NZQA's viability pending a long-term plan for stability
Police	Cost Pressure Funding – New Zealand Police	74	2024/25	120.000	-	New Zealand Police to review operating model, roles and functions to manage costs and improve financial sustainability
Transport	Metropolitan Rail Renewals in Auckland and Wellington	93	2024/25	107.700	-	Pending Review of the Metro Rail Operating Model
<b>Total</b>				<b>242.558</b>		

For all other initiatives that have received time-limited funding in Budget 2024, this is because they relate to programmes that are time-limited in nature.

## **Glossary for Budget 2024 Documents**

### **Allowances**

The amount of new funding available at each Budget is set aside in envelopes called allowances. This is the amount of money available for Budget decisions to be counted against for initiatives that increase expenditure or reduce revenue.

### **Operating allowance**

An operating allowance is the amount of new funding available for the day-to-day operating costs of the government.

### **Annual review**

Scrutiny by the House and its committees of the performance for the previous financial year, and current operations, of Government departments, Offices of Parliament, Crown entities, State-owned enterprises, and public organisations.

### **Appropriations**

Appropriations are legal authorities granted by Parliament to the Crown or an Office of Parliament to use public resources. Most appropriations are set out in Appropriation Acts (see Appropriation Bill below).

### **Appropriation Bill**

A Government bill that seeks authority from Parliament to spend public money and incur liabilities. Details of the Government's spending plans are set out in papers that are presented in association with each Appropriation Bill, which becomes an Appropriation Act when the Bill is passed (See Estimates of Appropriations).

### **Assets**

A resource controlled by an entity. A resource is an item with service potential or the ability to generate economic benefits.

### **Baselines**

The forecast revenues, expenses, assets and liabilities for a vote for the current year, and forecast for the next four financial years.

### **Baseline expenditure**

The level of expenditure in Appropriations for any given area of spending (e.g., Vote Education).

### **Bill**

A proposed law that the House may consider.

### **Baseline savings**

Savings identified through a review of existing agency baseline expenditure and tagged contingencies as part of Budget 2024 decisions, with a particular focus on low value activities, activities that do not align to Government priorities, and non-essential back-office functions including contractor and consultant spend.

## **Budget**

The process for preparing and documenting the Government's economic policies and spending plans each year resulting in the introduction of an Appropriation Bill and the delivery of the Budget statement.

### **Budget at a Glance**

The *Budget at a Glance* is an overview of the Budget information and contains the main points for the media and public.

### **Budget Economic and Fiscal Update (BEFU)**

The *Budget Economic and Fiscal Update* includes the Treasury's economic forecasts and the forecast financial statements of the Government incorporating the financial implications of Government decisions and other information relevant to the fiscal and economic outlook. The *BEFU* also discusses key risks to the economic and fiscal forecasts.

### **Budget Day**

The day identified by the Minister of Finance when the Government will present its Budget and for the delivery of the Budget statement.

### **Budget Policy Statement**

A paper presented by the Minister of Finance in the months before the Budget, foreshadowing the Budget and its policy goals. The Finance and Expenditure Committee examines the Budget Policy Statement and reports to the House.

### **Budget Speech**

The *Budget Speech* is the statement the Minister of Finance delivers at the start of Parliament's Budget debate. The statement generally focuses on the overall fiscal and economic position, the Government's policy priorities and how those priorities will be funded.

### **Capital expenditure**

The expenditure incurred to acquire or develop assets (including tangible, intangible, or financial assets and any ownership interest in entities).

### **Consumers Price Index (CPI)**

Stats NZ's official index to measure the rate of change in prices of goods and services purchased by households. Core or underlying inflation measures exclude or give little weight to extreme or irregular price movements.

### **Cost pressures**

Additional funding needed because of higher demand under current policy settings, for example, higher population growth or changes in demographics, higher cost of delivering or continuing to deliver services due to external market factors (e.g., inflation) or collective bargaining agreements and wage progression pressures, or to fulfil an already existing regulatory or legislative requirement.

## **Core Crown**

A reporting segment consisting of the Crown, departments, Offices of Parliament, the New Zealand Superannuation Fund and the Reserve Bank.

## **Core Crown expenses**

The day-to-day spending (e.g., welfare benefit payments, public servants' salaries, finance costs and maintaining national defence assets, etc.) that does not include capital expenditure on the construction or purchase of physical assets by the core Crown. This is an accrual measure of expenses and includes non-cash items, such as depreciation on physical assets.

## **Core Crown revenue**

Consists primarily of tax revenue collected by the Government but also includes investment income, sales of goods and services and other revenue of the core Crown.

## **Economic outlook**

A description of what is judged likely to happen in the future of the economy. The outlook includes forecast economic indicators such as gross domestic product (including the major components of GDP), consumer prices, unemployment and employment, and the current account position of the balance of payments.

## **Estimates of Appropriations**

A detailed statement of how the Government proposes its departments and other agencies will spend public money and incur liabilities in a financial year. This spending must be approved through an Appropriation Bill.

## **Financial year**

A year as it is set for public finance, being the period from 1 July of one calendar year to 30 June of the next.

## **Financial assets**

Any asset that is cash, an equity instrument of another entity (shares), a contractual right to receive cash or shares (taxes receivable and Accident Compensation Corporation (ACC) levies), or a right to exchange a financial asset or liability on favourable terms (derivatives in gain).

## **Financial liabilities**

Any liability that is a contractual obligation to pay cash (government stock, accounts payable) or a right to exchange a financial asset or liability on unfavourable terms (derivatives in loss).

## **Fiscal intentions (short-term)**

Indications of the Government's intentions for operating expenses, operating revenues and the impact of its intentions on the operating balance, debt and net worth over at least the next three years. These intentions are required under the Public Finance Act 1989 (PFA).

### **Fiscal objectives (long-term)**

The Government's long-term goals for operating expenses, operating revenue, the operating balance, debt and net worth, as required by the PFA. The objectives must be consistent with the defined principles of responsible fiscal management as outlined in the PFA and must cover a period of at least 10 years.

### **Fiscal outlook**

The Treasury view of the Government's financial performance and financial position over the current financial year and next four years (the forecast period). The outlook includes forecasts of the government's key fiscal indicators, such as core Crown revenue, core Crown expenses, the operating balance, OBEGAL, and net core Crown debt.

### **Fiscal Sustainability Programme**

The Government's multi-year programme of work aimed at driving greater value and results from public expenditure by using improved information to prioritise resources to high value activity, securing a sustainable fiscal outlook by bringing revenue and expenses back into balance, and prioritising fiscal discipline in decision-making.

### **Gross domestic product (GDP)**

A measure of the value-added of all goods and services produced in New Zealand. Changes in GDP measure growth or contraction in economic activity or output. GDP can be measured on either an expenditure or production basis and in either real or nominal terms.

### **Independent Earner Tax Credit (IETC)**

The IETC is a tax credit of up to \$10 per week, available to those earning between \$24,000 to \$70,000 in a tax year (following the changes at Budget 2024). It is available to those who are not eligible for Working for Families tax credits and who are not in receipt of a main benefit, NZ Superannuation, a Veteran's pension or an overseas equivalent.

### **Initiatives**

Proposals with financial impact that are presented to Ministers during the budget process. Initiatives that are accepted and approved by Ministers are reported in the Summary of Initiatives that are included with the Budget documentation released.

### **In-Work Tax Credit (IWTC)**

The IWTC is a payment for families normally in paid work who have children (the size of the payment is dependent on a number of factors). It is part of a broader suite of the Working for Families payments. It is available to those who are not in receipt of an income-tested benefit or student allowance.

### **Imprest Supply Act**

An Act that seeks to give the Government temporary authority to incur expenses and capital expenditure in advance of detailed spending proposals being approved through an Appropriation Bill.

## **Key fiscal indicators**

Indicators used to measure progress towards the Government's fiscal strategy, depending on its long-term fiscal objectives and short-term fiscal intentions.

## **Labour productivity**

Output per unit of labour input (where labour inputs might be measured as hours worked or the number of people employed).

## **Macroeconomic**

Dealing with the performance, structure, behaviour, and decision-making of an economy as a whole.

## **Minimum Family Tax Credit (MFTC)**

The Minimum Family Tax Credit is a payment to ensure low-income families' incomes are topped up to some minimum amount, where the parent or parents work a required number of hours for salary and wages. It is part of a broader suite of the Working for Families payments, and is available to those who are not in receipt of an income-tested benefit, a parent's allowance, or a children's pension from Veteran's Affairs New Zealand.

## **Multi-year Capital Allowance (MYCA)**

A capital allowance is the amount of new funding available to spend on assets that will increase the value of the Crown's balance sheet, for example investment into infrastructure like schools and hospitals. The MYCA is a four-year rolling notional envelope for new capital investment.

## **Multi-year funding**

Multi-year funding approaches to allocating funding mean that some of the allowance impact of Budget decisions is pre-committed against future Budgets' operating allowances. This reduces these future Budgets' available operating allowances to reflect that some funding decisions have already been made.

## **Net core Crown debt**

Net core Crown debt provides information about the sustainability of the Government's finances and is used by some international rating agencies when determining the credit worthiness of a country. It represents gross sovereign-issued debt less core Crown financial assets (excluding advances and financial assets held by the NZ Superannuation Fund). Advance and financial assets held by the NZ Superannuation Fund are excluded as these assets are less liquid and/or they are made for public policy reasons rather than for the purposes associated with government financing.

## **Net debt**

Net debt provides information about the sustainability of the Government's finances. Net debt represents core Crown and Crown entity borrowings (excluding Kiwi Group Capital Limited) less core Crown financial assets (including advances). It includes the financial assets and borrowings of the NZ Superannuation Fund.



## **Net worth attributable to the Crown**

Represents the Crown's share of total assets less liabilities of the Government. It excludes minority interests' share of those assets and liabilities.

## **Operating allowance**

An operating allowance is the amount of new funding available for the day-to-day operating costs of the government.

## **Operating balance**

Represents OBEGAL (refer below) plus gains and less losses. The operating balance includes gains and losses not reported directly as a movement against net worth. The impact of gains and losses on the operating balance can be subject to short-term market volatility and revaluations of long-term liabilities.

## **Operating balance before gains and losses (OBEGAL)**

Represents total Crown revenue less total Crown expenses, excluding minority interest share. OBEGAL can provide a more useful measure of underlying stewardship than the operating balance as short-term market fluctuations are not included in the calculation.

## **Operating expenditure**

The day-to-day spending (e.g., welfare benefit payments, public servants' salaries, finance costs and maintaining national defence assets, etc.) that does not include capital expenditure on the construction or purchase of physical assets. This includes non-cash items, such as depreciation on physical assets.

## **Projections**

Projections relate to the period beyond the five-year forecast period and are based on long-run economic and fiscal assumptions. For example, the projections assume no economic cycle and constant long-run interest, inflation and unemployment rates.

## **Public Finance Act**

The Public Finance Act is the statute that provides the core legislative framework within which the Government can borrow money or spend public money. It contains reporting requirements to ensure the Crown is transparent and accountable for its actions impacting on public finance.

## **Reprioritisation**

In the Budget process, this is the reassignment of existing funding from one area to another.

## **Savings**

A reduction in cost or expenditure from baselines and tagged contingencies.

## **Select committee**

A committee whose membership is confined to a limited number of members. Most of the committees are subject select committees, each of which deals with a particular subject area.

## Supplementary Estimates

A statement of further amounts to be spent by Government departments, Offices of Parliament, Crown entities, State-owned Enterprises, and public organisations in the current financial year in addition to the details of spending contained in the Estimates. This spending must be approved by an Appropriation Bill.

## Tagged contingency

Tagged contingency relates to funding that is ring-fenced for a particular purpose and held in the centre, i.e., not appropriated into baselines. Treasury may use tagged contingencies as a policy tool where an initiative is commercially sensitive and final costs are subject to negotiation, or if the initiative is likely to be funded but needs further work before funding can be appropriated.

## Further savings and revenue measures

Specific policies or programmes reviewed with a view of ending and/or scaling back. Some were identified by the Government for review ahead of Budget 2024 and some were raised by agencies through the Budget 2024 initiative submission process.

## Tax at a Glance

The *Tax at a Glance* is an overview of tax changes agreed through Budget 2024 and contains the main points for the media and the public.

## Tax revenue

The accrual, rather than the cash measure of taxation. It is a measure of tax over a given period in time, regardless of whether or not it has actually been paid.

## Total Crown

Includes the core Crown (defined above) plus Crown entities, State-owned Entities and other entities controlled by the Government Reporting Entity (as defined in *BEFU*).

## Votes

When Parliament considers legislation relating to appropriations, the appropriations are grouped within 'Votes'. Generally, a 'Vote' will group similar or related appropriations together (e.g., Vote Health includes all health-related appropriations that are the responsibility of the Minister of Health).

## Vote (Estimates)

Part of an Appropriation Bill containing details of the authority to spend public money or incur expenses in a particular area (e.g., Vote Health).

## Year-ended

Graphs and tables within this document use different expressions of the timeframe. While some tables may refer to the end of the tax year (31 March), others will refer to the end of the Government's financial year (30 June). Unless otherwise stated references to 2023/24 or 2024 will mean the year ended 30 June.