

The Treasury

Budget 2022 Information Release

August 2022

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

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

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2022 Budget Package: Vote Te Arawhiti

Appropriation Administrator: Ministry of Justice

It is recommended that the relevant Appropriation Minister and the Minister of Finance jointly:

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

Summary of funded initiative(s) agreed by Cabinet:

Operating Initiative(s) (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
13608	Historical Treaty Settlements: Continuing Momentum	-	3.614	2.000	-	-
13603	Relativity Mechanism: Dispute Resolution	-	1.800	-	-	-
13613	Supporting the Developing Māori Crown Relationship	-	1.300	1.000	1.000	1.000
13607	Takutai Moana – Financial Assistance Scheme	-	-	-	6.573	7.786
13604	Takutai Moana – Implementation of Engagement Strategy	-	1.700	3.300	3.300	3.300
Total Operating		-	8.414	6.300	10.873	12.086

Summary of contingency initiative(s) agreed by Cabinet:

Operating Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26
13609	Treaty Settlements Tagged Contingency	[38]				
Total Operating						

- 2 **note** that Cabinet has:

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

the interim, the increases be met from Imprest Supply;

- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2022/23 Estimates and being sought in the Appropriation (2022/23 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
 - iv. **authorised** Joint Ministers, for each contingency initiative, jointly to agree:
 - a. the work that needs to be completed or other conditions that need to be satisfied before the contingency is drawn down into appropriations;
 - b. whether the draw down into appropriations requires Cabinet approval or the approval of Joint Ministers;
 - c. the expiry date of contingency funding;
 - d. any related recommendations necessary to give effect to the contingency initiative;
 - v. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2021/22 Supplementary Estimates, the 2022/23 Estimates and the fiscal forecasts;
 - vi. **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet to inform the chair and/or chief executive of a Crown entity, on a Budget-in-confidence-until-Budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent and/or Statement of Performance Expectations;
 - vii. **noted** that all communications relating to the 2022 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;
- 3 **agree** to establish new appropriations where required to implement the initiative(s) included in the summary table(s) above, as detailed in the attached initiative document(s);
 - 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiative(s) included in the summary table(s) above, as set out in the attached initiative document(s);
 - 5 **approve** the additional recommendation(s) to give effect to the initiative(s), as set out in the attached initiative document(s);
 - 6 **agree** that the proposed change(s) to appropriations and/or capital injections for 2021/22 detailed in the attached initiative document(s) be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase(s) be met from Imprest Supply;

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Historical Treaty Settlements: Continuing Momentum

Description: This initiative provides funding to maintain the level of departmental activity for Treaty settlement negotiations.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	3.614	2.000	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.614	2.000	-	-

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

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Departmental Output Expenses:					
Treaty Negotiations and Marine and Coastal Area Customary Interests (funded by revenue Crown)	-	3.614	2.000	-	-
Total Operating	-	3.614	2.000	-	-
Total Capital	-	-	-	-	-

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Relativity Mechanism: Dispute Resolution

Description: This funding initiative will enable the Crown to participate in the resolution of disputes arising from the relativity mechanisms included in the historical Treaty settlements with Waikato-Tainui and Ngāi Tahu.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	1.800	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.800	-	-	-

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

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Departmental Output Expenses:					
Treaty Negotiations and Marine and Coastal Area Customary Interests (funded by revenue Crown)	-	1.800	-	-	-
Total Operating	-	1.800	-	-	-
Total Capital	-	-	-	-	-

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Supporting the Developing Māori Crown Relationship

Description: This initiative maintains Te Arawhiti's capacity to support the Crown to work effectively with and for Māori and the Māori Crown relationship. It also provides one-off funding in 2022/23 for Te Arawhiti to review its future priorities, workplan and workforce needs.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.300	1.000	1.000	1.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.300	1.000	1.000	1.000

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

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Māori Crown Relations (MCA)					
<i>Departmental Output Expenses:</i>					
Strengthening Crown Capability (funded by revenue Crown)	-	1.300	1.000	1.000	1.000
Total Multi-Category Expenses and Capital Expenditure: Māori Crown Relations (MCA)	-	1.300	1.000	1.000	1.000
Total Operating	-	1.300	1.000	1.000	1.000
Total Capital	-	-	-	-	-

Additional Recommendation

7 [33]

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Takutai Moana – Financial Assistance Scheme

Description: This initiative provides additional funding to the Takutai Moana Financial Assistance Scheme to ensure applicants can progress their applications for recognition of customary marine interests under Te Takutai Moana Act 2011 and Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	6.573	7.786
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	0.602	(1.503)	0.302	0.599
Total	-	0.602	(1.503)	6.875	8.385

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

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Treaty Negotiations and Marine and Coastal Area Customary Interests (funded by revenue Crown)	-	0.602	0.481	0.302	0.599
Non-Departmental Other Expenses:					
Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area	-	-	(1.984)	6.573	7.786
Total Operating	-	0.602	(1.503)	6.875	8.385
Total Capital	-	-	-	-	-

Additional Recommendations

- 8 **note** that Cabinet has agreed changes to the Takutai Moana Financial Assistance Scheme (the Scheme) [CAB-22-MIN-0037 refers];
- 9 **agree** that the additional costs of implementing the changes to the Scheme, which are not met from new funding, will be addressed by transfers from the projected underspend in 2023/24 in the Non-Departmental Other Expense appropriation *Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area* to the

Departmental Output Expense appropriation *Treaty Negotiations and Marine and Coastal Area Customary Interests* across the forecast period;

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Takutai Moana – Implementation of Engagement Strategy

Description: This initiative provides funding to Te Arawhiti for the delivery of the Takutai Moana Engagement Strategy, which launched in June 2021. The Takutai Moana Engagement Strategy is focussed on achieving fair, transparent and timely determination of Takutai Moana applications for recognition of customary interests.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.700	3.300	3.300	3.300
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.700	3.300	3.300	3.300

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

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Treaty Negotiations and Marine and Coastal Area Customary Interests (funded by revenue Crown)	-	1.700	3.300	3.300	3.300
Total Operating	-	1.700	3.300	3.300	3.300
Total Capital	-	-	-	-	-

Vote: Te Arawhiti

Appropriation Administrator: Ministry of Justice

Title: Treaty Settlements Tagged Contingency

Description: This initiative sets aside funds for additional Treaty settlements redress and purchase of properties for the Treaty Settlements Landbank. This will enable critical decisions to be taken in a timely way throughout the financial year.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	[38]				
Capital Contingency					
Total					

Additional Recommendations

- 10 **note** this contingency provides a source of funding for:
 - 10.1 the purchase of private property for the Treaty Settlement Landbank outside the Protection Mechanism; and
 - 10.2 increases to settlement quantum above the amounts allocated in the fiscal forecasts;
- 11 **agree** that the Minister for Treaty of Waitangi Negotiations, the Minister for Māori Development and the Minister of Finance may jointly draw down funding from this tagged contingency to purchase private property for the Treaty Settlement Landbank outside the existing Protection Mechanism;
- 12 **note** increases to settlement quantum above the amounts included in the fiscal forecasts require Cabinet approval, and Cabinet will be able to draw from this contingency to manage these costs;
- 13 **agree** that the expiry date for the above tagged contingency be 30 June 2023;
- 14 [33]
 - 14.1 [33]
 - 14.2
- 15 **note** that if the tagged contingency is exhausted any further quantum increases or property purchases will be considered only under exceptional circumstances.

