

The Treasury

Budget 2024 Information Release

September 2024

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Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

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Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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
- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [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] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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From: [Claire Hubert \[TSY\]](#)
To: [^Parliament: Emma Grigg](#)
Cc: [Claire McLellan \[TSY\]](#)
Subject: Sign-out on giving MSD, ACC and Health NZ advance notice of changes
Date: Wednesday, 24 April 2024 1:29:00 pm

Hi Emma,

IR have flagged that the paper they sent up last week which refers to giving MSD, ACC, Health NZ advance notice of the changes hasn't been signed out by MoF yet. The reference is IR2024-175.

I understand that we need this to happen before the Cabinet paper is able to include that second paragraph drafted below.

Would you be able to chase for this to be signed, please?

Thank you so much,

Claire H

From: Claire Hubert [TSY]
Sent: Wednesday, April 24, 2024 12:34 PM
To: ^Parliament: Emma Grigg <emma.grigg@parliament.govt.nz>
Cc: Claire McLellan [TSY] <Claire.McLellan@treasury.govt.nz>
Subject: Cabinet paper - wording on implementation date

Hi Emma,

I've been asked to write to you to confirm that IR's changes on to the wording around implementation date have been copied into the Cabinet paper. They read:

The PIT, IWTC, and IETC tax changes will be effective from 31 July 2024. I was advised by Inland Revenue officials that, without a pre-Budget announcement, payroll software providers, payroll service providers and employers would be unlikely to be able to make changes in time for a 1 July application date. This would result in large numbers of employees being paid incorrectly while the changes were implemented. Officials advised that in order to ensure these changes could be implemented without major delivery challenges, the implementation date would need to be delayed. The 31 July application date balances providing New Zealanders with relief as soon as possible, with allowing employers, payroll software providers, payroll service providers and government organisations a reasonable amount of time to implement the changes.

I note that the Ministry of Social Development, the Accident Compensation Corporation and Health New Zealand face specific payment challenges due to the special characteristics of the payments they make (benefits, allowances, pension systems, compensation system and nurses and doctors payroll systems). This means they would require a longer implementation period. I propose that these organisations are provided early information on the PIT changes. This would require a limited waiver to the Budget secrecy requirements. Of most concern is Health New Zealand as it continues to run

separate payrolls for each former district health board and use multiple payroll software providers. Giving these organisations earlier notice of the changes will ensure they have sufficient time to make the changes to their systems.

Thank you,

Claire H