

# The Treasury

## Budget 2024 Information Release

### September 2024

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#### Information Withheld

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).

Where this is the case, the relevant sections of the Act that would apply have been identified.

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 \[TSY\]](#); [Emma Harris \[TSY\]](#); [Jas Singh \[TSY\]](#); [James Adams \[TSY\]](#); [Laura Browne \[TSY\]](#)  
**Subject:** Request from MSD to submit noting paper on Cabinet decisions  
**Date:** Friday, 19 April 2024 12:06:00 pm

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Emma,

Colleagues at MSD are keen to brief their Minister on the policy and Reg impacts for Social Development in advance of Cabinet's meeting. They would want to factually explain the flow on impacts to the welfare system resulting from changes to PIT thresholds - impacts for clients receiving NZS, Student Allowance (including regs), and Main benefits, and then other assistance that is linked to those thresholds. Conscious of the sensitivity and any potential outstanding decisions – do you see an issue with them putting a noting paper up next week?

The relevant recommendations in the Cabinet paper are:

*Flow-on impacts*

9. **note** that the net rates of the Student Allowance will increase automatically meaning recipients of these payments will gain from the personal income tax changes, with a consequential increase in expenses;
10. **note** Cabinet agreed that Student Allowance payments for those under 24 years of age have a net (after tax) abatement rate of 25 percent for each dollar of gross parental income over the parental income threshold [CAB Min (04) 11/9 refers];
11. **note** that the abatement rate calculation in the Student Allowance Regulations 1998 must be amended when personal income tax thresholds are changed to maintain a 25 percent net abatement rate;
12. **invite** the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to draft amendments to the Student Allowance Regulations 1998 that maintain the policy settings in recommendation 10;
13. **note** that the net rates of NZ Superannuation and veteran's pension will increase automatically meaning recipients of these payments will gain from the personal income tax changes, with a consequential increase in expenses;
14. **note** that main benefits will not increase automatically as these are set net of tax in legislation;

Thank you,

Claire

**Claire Hubert** | Senior Analyst – Tax Strategy | **The Treasury**