

# The Treasury

## Budget 2024 Information Release

### September 2024

This document has been proactively released and is available on:

- The Budget website from September 2024 to May 2025 only at: <https://budget.govt.nz/information-release/2024>, and on
- The Treasury website from later in 2024 at: <https://www.treasury.govt.nz/publications/information-release/budget-2024-information-release>

#### 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).

## **Copyright and Licensing**

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

## **Accessibility**

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to [information@treasury.govt.nz](mailto:information@treasury.govt.nz).

Rebecca Hardy [T] 🙌 ❤️ 😄 😱 🤔 ↩️ ⋮  
why weren't operating allowances in the BPS tho

27/03 2:17 pm

cause we said don't set them at BPS when you'll likely have to change them

do it when you've got more info

being honest she wanted to set them, we persuaded her not to

Chris Brunt [TSY], Emma Harris [TSY], +2

8/03 9:47 am

Do we need a rec that says agree not to announce allowances for B25,26,27 at BPS? I think we are probs ok without one but let me know if you disagree

Chris Brunt [TSY] 8/03 9:47 am

Nah put one in I think

🙌 1

Rosalinda Pierce [TSY] Chat Files +

🔍 🗨️ 👤 ⋮

11/01 10:16 am

Do we actually have to state the allowances at BPS? I was looking at the PFA and unless blind it just refers to gov'ts priorities

Rosalinda Pierce [TSY] 11/01 10:22 am

No my understanding is that is just convention. But it could be Legal's interpretation of one of the requirements?

11/01 10:23 am

Yeah ok that was my understanding to. I was just coming back to what you said yesterday about Minister wanting as much time as possible to choose allowances, which leans into Budget timeline not BPS

Rosalinda Pierce [TSY] 11/01 10:28 am

I know what you mean but with the BPS being sooo late I don't really see any benefit in deferring

How do you design a budget package if you haven't decided your allowances

The budget package will already be being designed by the time this comes out in March

11/01 10:31 am

No that's a fair point

Rosalinda Pierce [TSY] 11/01 10:33 am

What usually happens is the BPS is in December and then in March we do the roadcheck advice which either confirms or (as has been the case) increases the allowances announced in December. We're just skipping the December part of this

And not really doing a roadcheck. Likely transacting the decision in a less intensive way

But this is already the 'later' point in the cycle to be deciding allowances



27/03 1:40 pm

Hi just on the allowances.

**f** note that, given existing demands on the operating allowances, we do not recommend significantly reducing operating allowances for Budgets 2025-2027 from the current levels without a Cabinet agreed process for identifying and implementing savings and revenue initiatives.

that's what we had in Sam's TR at the start of the month, before that discussion with MOF at Budget Matters. She was keen then to announce at BPS but got persuaded not to.

In December as part of a B-team TR on B24 strategy we said

On balance, we recommend that you do not make any changes to the Budget 2024 operating allowance now and instead consider any reductions as part of the Budget Policy Statement or Budget decision-making process. This approach minimises the risk of needing to increase the Budget 2024 allowances later, and allows decisions on allowances to be informed by the level of savings and new spending you want to progress at Budget 2024.

Tim Hampton [TSY] 27/03 1:44 pm



Luke Came [TSY] 27/03/2024 1:41 pm

Image that's what we had in Sam's TR at the start of the month, before that discussion with MOF at Budget Matters. She was keen...

Persuaded by other ministers?

27/03 1:46 pm

I think by us/Grant.

You were quite persuasive in that meeting Tim

Tim Hampton [TSY] 27/03 1:47 pm



Got it.

27/03 1:47 pm

but there may have been other discussions with Budget Ministers that fed into that decision

Tim Hampton [TSY] 27/03 1:50 pm



Yep, that was the meeting. Although we framed it as "don't announce at BPS a reduction in your allowances to a level that based on current forecasts delivers you a surplus in a particular year, because those forecasts could change before BEFU", it did evolve into "don't announce an allowance at BPS".

27/03 1:51 pm

yeah that sounds abotu right

Tim Hampton [TSY] 27/03 1:52 pm



I stand by my advice that that approach is better than had they announced a slightly smaller allowance for BPS that already would not be enough to get to surplus in 27/28.