

The Treasury

Budget 2024 Information Release

September 2024

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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
- [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

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Treasury Report: Budget 2024 Production Process

Date:	26 April 2024	Report No:	T2024/1044
		File Number:	BM-2-8-2024-M10

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Nicola Willis)	<p>Agree to the proposed structure, content and timeframes for the Budget 2024 production process.</p> <p>Discuss this report at Budget Matters on Wednesday 1 May.</p>	29 April 2024

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Catriona Low	Senior Analyst, Budget	[39]	[35] ✓
Keiran Kennedy	Manager, Budget		

Minister of Finance's Office Actions (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Treasury Report: Budget 2024 Production Process

Executive Summary

This report seeks your feedback on the suite of documents and associated products proposed for publication on Budget Day. There are several documents and events we propose to support the preparation of/for – see Annex A.

The Treasury is responsible for the development and publication of the 2024 Budget Economic and Fiscal Update (BEFU) and will provide you with an opportunity to review before signing the Statement of Responsibility.

We intend to work with your office to provide drafts of the Budget documents on 9 and 16 May, and final versions on 23 May for your sign off on Friday 24 May. This will ensure a final quality assurance process can be completed prior to printing. As we have discussed with your office, there are options as to how content is presented in your Budget 2024 documents, including how savings' initiatives are presented.

There are several categories of legislation required to give effect to Budget 2024 decisions, noting that the window time that the House of Representatives is sitting will constrain what Budget day legislation it is possible to pass before 1 July.

After the weekly agency meeting with you on Tuesday 23 April, we are also preparing a short overview of the process and consequent timing constraints in making Budget decisions and preparing the BEFU forecasts. This will be provided to you early next week.

Treasury Report: Budget 2024 Production Process

Purpose of Report

1. This report is seeking your feedback on the Budget 2024 documents that you want us to work with your office to prepare for Budget Day. We will discuss this with you at Budget Matters on 1 May. To support you providing feedback, this report includes:
 - a the proposed suite of key documents and products to be released on 30 May (Budget Day) (Annex A – see page 10);
 - b the timeframes and process for engaging with you on these products through to Budget Day (Annex B – see page 14);
 - c a mock-up of the proposed structure of the Summary of Initiatives (Annex C – provided separately); and
 - d a ‘Tax at a Glance’ document (Annex D – provided separately).
2. After our meeting with you on Wednesday 24 April, we are preparing a short overview of the timing constraints in preparing the 2024 Budget Economic and Fiscal Update (BEFU) forecasts. This will be provided to you early on the week commencing 29 April.

Budget 2024 Documents

3. Following discussion with your office, Annex A sets out the list of documents we propose to work with you and your office to prepare for publication on Budget Day.
4. You may also wish for Budget Ministers to provide feedback on the Budget documents. If you wished to engage Budget Ministers on the material, we recommend you share second drafts with them on or around 16 May. These could be shared for written comments or discussed at a meeting.
5. This proposed suite of documents is a similar approach to Budgets prior to 2018. This does mean there is no Treasury-produced “Budget document” setting out the full package in narrative form. Instead, the Budget at a Glance (BAAG) will provide key information, the Summary of Initiatives more detailed information, and the Budget Speech the overall Budget narrative. These are all complemented by the separate press releases, ‘Tax at a Glance’, and website content.

Fiscal Strategy Report

6. This is a standalone document which sets out the Government’s fiscal strategy and is required by the Public Finance Act. This includes setting out how Budget 2024 meets the Government’s short-term intentions and long-term objectives for fiscal policy. We will work with your office to prepare a first draft of this document on 9 May.

Summary of Initiatives

7. The Summary of Initiatives is a key document for providing Ministers, their offices, the media and the public with a transparent breakdown of each initiative (both spending and savings) included in the package. **It is your document – you can amend the Treasury-prepared draft titles and descriptions of initiatives in the document as you see fit.** Noting that any changes may be highlighted when the financial recommendations are proactively released as part of the Budget 2024 proactive release scheduled for July.

8. You also have options for how the document is structured and a mock-up of the Summary of Initiatives with different options is included in Annex C.
9. The three options are:
 - a **Option A:** Listing all initiatives in full (over 400), with a short table for each vote showing net impact (*Treasury's recommended*).
 - b **Option B:** As in Option A, a short table for each vote showing net impact, but with all baseline savings initiatives combined into a single entry, while other initiatives (e.g., new spending) are listed in full.
 - i Option B reduces the transparency of the document and will likely lead to requests for a breakdown of baseline savings, including through Official Information Act requests.
 - c **Option C:** This is either Options A or B, but with further summary tables for each Vote at the beginning of the documents (i.e., similar to the "one-pagers" that we have provided you to support Budget decision-making).
 - i Your office has indicated interest in this approach. We note that the summary tables may run to several pages, increasing length and complexity of the document, as well as increasing quality assurance risks.
10. You have several other design choices regarding the Summary of Initiatives:
 - a You can decide the range of pre-commitments that are included in the Summary of Initiatives. You have three options:
 - i All pre-commitments to the Budget 2024 allowance. This would cover commitments made by the previous Government also.
 - ii All pre-commitments since the current Government took office on 27 November (*Treasury recommended*).
 - iii All pre-commitments taken since the Mini Budget, noting you published a summary of decisions taken at Mini Budget on the Beehive website (see here: [Mini-Budget decisions with immediate fiscal impact.pdf \(beehive.govt.nz\)](#)).
 - b What initiatives you wish to withhold from the Summary of Initiatives. We recommend you withhold commercially sensitive initiatives ^[37]

You can withhold other initiatives from the document at your discretion (e.g., those that remain under active consideration). We will work with your office to appropriately flag that initiatives have been withheld in the document, and to make necessary adjustments to the summary tables and/or net figures (to prevent the public from reverse engineering quantum for withheld initiatives).

Child Poverty Report

11. The Public Finance Act requires a report to be presented to Parliament that outlines progress made to reduce child poverty taken in the most recent financial year (Child Poverty Report). It must also indicate whether – and if so to what extent – measures in the Budget package will affect child poverty.
12. As requested by your office, we intend to provide a succinct draft of the Child Poverty Report that uses plain language to communicate key investments and wider Government goals as they relate to child poverty. This can be published as a standalone document to be uploaded to the Budget website and printed for submission

to the House (as required by legislation). Treasury's legal team will review draft content to ensure it meets legislative requirements.¹

13. [33]

Treasury-owned Budget Day documents

Budget Economic and Fiscal Update

14. The Budget Economic and Fiscal Update (BEFU) is delivered alongside Budget 2024 in accordance with legislative requirements. This is a Treasury owned product that contains the economic and fiscal forecasts, as well as the key assumptions, judgements and risks underpinning these forecasts.
15. As for the Half Year Economic and Fiscal Update, the Treasury will be seeking your signature for the Statement of Responsibility, as outlined in section 26W of the Public Finance Act 1989. Annex B shows the key upcoming milestones for the production of the BEFU document. Our working assumption is that you will receive:
 - a A report regarding the final BEFU fiscal forecast on 14 May, and
 - b the first draft of the BEFU documents itself on 17 May, the near-final draft on 21 May, before signing out the final Statement of Responsibility on 23 May.

New Zealand Debt Management (NZDM) press release

16. Alongside Budget, NZDM also release a media statement on the update to the forecast core Crown borrowing programme. This media statement includes forecast New Zealand Government Bond issuance, short-term borrowings outstanding, as well as other details regarding the borrowing programme (e.g., syndications).
17. You will receive a draft of the media statement as part of the Core Crown Borrowing Programme Approval Treasury Report in mid-May.

Other Budget Day Products

18. You have also requested a tax calculator be provided for Budget 2024, to allow New Zealanders to calculate how much they will gain from the income tax package. The Treasury's advice confirmed the design of the calculator and that it would be on the Treasury-hosted Budget 2024 website (T2024/1030 and T2024/1050 refers). You will receive an update on the development of the calculator alongside the first draft of the Budget materials on 9 May.
19. The Treasury can also provide a simple customer-facing document (the current working title is "Tax at a Glance") explaining the personal tax changes, a mock-up of which is included in Annex D. The draft could cover the personal income tax, In-Work Tax Credit (IWTC), Independent Earner Tax Credit (IETC) and FamilyBoost changes. It could include example scenarios, showing the annual or weekly amount that different taxpayers would gain from the tax package. We suggest the use of similar – but not identical – example scenarios to those referenced in the National Party's Back Pocket

[36]

Boost document (e.g., individuals, couples, families with children of different ages, sole parents, students and superannuitants).

20. The Treasury will also provide you with back pocket question and answer materials for Budget Day. These will include further detail on how the Budget 2024 package may impact different population groups and the Government's Treaty of Waitangi obligations, as well as on the climate impacts of the Budget. It will also include some high-level material on the BEFU for you to reference as needed.

Budget Day

21. You have some options on how you wish to manage your time on Budget Day itself. The table below sets out the Treasury's current planning assumptions on timing for 30 May.

Table 1: Budget Day 30 May Indicative Schedule

Time	Detail
Prior to 12.00	For you to consider how to utilise this time. Previous Ministers of Finance have used the morning of Budget Day for media, a meeting with the Prime Minister, and/or a pre-meet with Associate Ministers of Finance (and any other Ministerial attendees) to discuss how the lock-up will run.
12.00 – 12.45	Proposed time for your arrival with other Ministers (invited at your discretion) in the Banquet Hall for the Budget Lock-up with media. You would then give your presentation on Budget 2024, followed by questions. If you would like Associate Ministers to present, Treasury will include this in the schedule.
13.00 – 14.00	The Treasury is planning for a number of Parliamentarian lock-up events for coalition partners and the Opposition. We are working with your Office on the details of these events. You may wish to briefly attend any of the coalition lock-up events during this time.
14.00	Delivery of your Budget Day speech to the House. The Appropriation (Estimates) Bill, with supporting Estimates documents, are tabled.

Budget Legislation

22. Budget 2024 will involve a range of Budget Day legislation including the standard tabling of the Appropriation (Estimates) Bill, with supporting Estimates documents.
23. We note that after Budget Day, Parliament does not sit again until 25 June. Any legislation needing to be in force before 1 July to give effect to your Budget decisions will need to complete all its House stages by the end of 26 June, to give sufficient time for Royal Assent to occur on 27 June. 28 June is Matariki.
24. There are several categories of legislation required to give effect to Budget 2024 decisions:
 - a **Appropriation Bills:** This is comprised of:
 - i the Appropriation (2024/25 Estimates) Bill, which is the Bill that sets out the Government's proposed appropriations for the 2024/25 financial year. The Bill

will need to proceed through its first reading and commence its second reading on Budget night.

- ii the Appropriation (2023/24 Supplementary Estimates) Bill, which includes all changes to appropriations and new appropriations since last year's Appropriation Act came into force. This Bill will need to go through its first reading on Budget night.
- b **Imprest Supply Bill:** The first Imprest Supply Bill for 2024/25 will also need to be in force by 1 July to provide authority for any expenditure by the Crown and Offices of Parliament, in advance of the Appropriation (2024/25 Estimates) Bill coming into force, or for any expenditure not provided for in that Bill (but which is later included in the Appropriation (2024/25 Supplementary Estimates) Bill.
- c **Budget Night Legislation:** Several other Bills to give effect to your Budget decisions, including that required to implement your tax changes. The limited amount of House-sitting time will affect the amount of legislation that can be enacted before 1 July. The Treasury has been working with the Parliamentary Council and Cabinet Offices regarding the priorities and timelines Budget night legislation, and this has been shared with your office. You, the Leader of the House and other Ministers may need to discuss and decide which of these Bills will proceed.
25. We have discussed the issue of the House timing for these Bills with the Leader of the House's office. These timeframes may also affect our ability to amend the Appropriation (2023/24 Supplementary Estimates) Bill after introduction, should the need arise.
26. We expect that your office will be discussing the Budget Day legislative programme with the Leader of the House's office.

Timeline

27. Annex B summarises the proposed timetable and process for engaging with you through the Budget 2024 production process. We will be working with your office closely throughout. These timings can be discussed at Budget Matters on 1 May if helpful.
28. These timelines:
- a aim to give you the opportunity to review three drafts of key Budget products, noting the production cycle is compressed for this Budget compared to non-election years.
 - b provide for quality assurance of all material being printed, published on the Budget website and provided to attendees at Restricted Briefings. In the event of significant delays in the approval of key products, we may need to produce a more limited number of or lower-quality print versions of documents, and/or rescope or delay production of discretionary products (such as the Budget at a Glance).
29. Previous coalition Governments have made anywhere from 13-18 pre-announcements (i.e., less than the number of announcements made on Budget Day). Any pre-announcements will need to be balanced against new content released on 30 May, to ensure an appropriate balance of significant measures remains for Budget Day.

Next Steps

- 30. Following your feedback on the proposed documents, we will begin their development. You will receive a first draft of the Budget 2024 documents on Thursday 9 May.
- 31. We will discuss this report with you at Budget Matters on 1 May.

Recommended Action

We recommend that you:

Feedback on the suite of proposed Budget 2024 documents

- a. **note** that Treasury does not propose to produce a ‘main’ Budget document, but instead produce separate core documents.
- b. **agree** to the proposed Budget documents being released on Budget Day, as set out in Annex A.

Agree/Disagree.
- c. **provide** feedback on whether you would like any additional Budget Day products in the box on page 13.

Timeframes and process

- d. **agree** to the proposed timeframes and processes for the 2024 Budget documents and 2024 Budget Economic and Fiscal Update.

Agree/Disagree.
- e. **note** the proposed timings for Budget Day as set out in Table 1.
- f. **indicate** whether you wish Associate Ministers of Finance to have a role in providing feedback on the Budget documents.

Yes/No.

Please provide any further comments relating to this decision below:

- g. **note** the limited timeframes for the passing of Budget legislation.

Feedback on specific documents

- h. **indicate** which classes of pre-commitments (if any) you wish to include in the Summary of Initiatives.

<i>All pre-commitments since Budget 2023.</i>	<i>Agree/Disagree.</i>
<i>All pre-commitments since the Government took office.</i>	<i>Agree/Disagree.</i>
<i>All pre-commitments taken <u>after</u> the Mini Budget.</i>	<i>Agree/Disagree.</i>

- i. **indicate** which approach should be taken for presenting the Summary of Initiatives; and

Option A/Option B/Option C

Please provide any further comments relating to this decision below:

- j. **provide** feedback on the mock up 'Tax at a Glance' document in Annex D.

Keiran Kennedy
Manager, Budget

Nicola Willis
Minister of Finance

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Annex A: Budget Documents

The Treasury are preparing for the following documents or events in relation to Budget Day.

Product or Event	Description	Prepared by	Publication & Printing	Minister of Finance to Receive Drafts On:
Fiscal Strategy Report	A standalone document setting out the Government's fiscal strategy, including the short-term intentions and long-term objectives. Legislatively required.	The Treasury	Published on website and printed for lock-ups.	9 May, 16 May, 23 May
Budget Day Speech	Your Budget Day Speech is published as a standalone document. This provides the key narrative for Budget 2024, and further detail on headline initiatives.	The Office of the Minister of Finance, with Treasury providing fact checking and input as required	Published on website, printed for lock-ups, and several copies printed on goat skin.	Dependent on when drafts are received from the Office of the Minister of Finance
Budget at a Glance	A fold-out small leaflet setting out the key information from Budget 2024. Not legislatively required.	The Treasury	Published on website and printed for lock-ups.	9 May, 16 May, 23 May
Summary of Initiatives	This would provide the detailed information on Budget 2024, as set out at Vote and initiative level. There are options on how this is presented, as set out in Annex C. Not legislatively required.	The Treasury	Published on website and printed for lock-ups.	9 May, 16 May, 23 May
Tax Calculator	An online calculator to provide impacts of tax changes, hosted on the Budget website. Not legislatively required.	Calculator produced by Pikselin, with content from Inland Revenue and the Treasury	Hosted on Budget Website	Update on development provided on 9 May, an opportunity for you to test the calculator will

				be arranged between 16 and 24 May
Tax at a Glance	A proposed short simple document explaining the personal tax changes, an example of which is included at Annex D. Not legislatively required.	The Treasury	Published on website and printed for lock-ups.	9 May, 16 May, 23 May
Child Poverty Report	Outline of how Budget 2024 contributes to reducing Child Poverty. Legislatively required. Required to be produced and tabled as part of the main Appropriation Bill under section 15EA of the PFA.	The Treasury	Published on website and printed for tabling as part of the main Appropriation Bill. Can be printed for lock-ups if desired.	9 May, 16 May, 23 May
Minister of Finance's Lock-up Presentation	Slides to accompany your presentation during the Budget Day media lock up.	Office of the Minister of Finance, with Treasury input as required	Not published on the website, Office of the Minister of Finance to confirm if printed copies needed for lock-ups.	Dependent on when drafts are received from the Office of the Minister of Finance
Media Kit (press releases)	Folder and set of Budget press releases, along with other key material.	Press releases drafted by the Office of the Minister of Finance, and fact-checked by the Treasury.	Published on Budget website and printed for lock-ups.	17 May, 22 May
Budget Website (budget.govt.nz)	A website that will host your Budget documents, links to Budget press releases on the Beehive website, and Treasury's BEFU.	The Treasury prepares the website	N/A	N/A, the website will host the Budget content you have reviewed and agreed
Treasury Website (treasury.govt.nz)	For Budget Day, this will include the BEFU, tax and expenditure statement and Debt Management Office press release. Following Budget Day, the full suite of Budget documents will be added.	The Treasury updates website content	N/A	N/A

Appropriation Bills and Estimates of Appropriations	These are requirements under the PFA and give legislative effect to Budget 2024.	The Treasury, legislation drafted by Parliamentary Counsel's Office	Published and small number of copied printed for reference in lock-ups Legislation Introduced in the House on Budget Day	N/A
Budget Economic and Fiscal Update (BEFU) 2024	A Treasury owned product, required to be produced by the Treasury and tabled in Parliament on Budget Day under section 26O of the PFA. Legislatively required.	The Treasury	Published on the Budget Website and printed for lock-ups	21 May, 23 May
Glossary	A list of key Budget terms, hosted on the Treasury website, supporting understanding of Budget 2024. Last year's version will be updated with any new terms	The Treasury	Published on Budget website	9 May, 16 May, 23 May
Backpocket questions and answers	Treasury drafted Q&As providing further detail on a number of Budget areas. As part of this document, we will also provide high-level Q&A material on the BEFU.	The Treasury	Not published as a standalone document, to support questions posed on or after Budget Day	16 May, 23 May
Restricted Briefings	We are working with your office to deliver several restricted briefings on Budget Day. These include: <ul style="list-style-type: none"> • General briefing for media and analysts (including your presentation) • Coalition Government briefings per party (National, NZ First, ACT) • Opposition briefing. Your attendance is only required at the general briefing for media and analysts, but you may	The Treasury will organise these events	N/A	Updates will be provided to the Office of the Minister of Finance as required

	wish to consider briefly attending any or all of the coalition partner briefings as well.			
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Please indicate below any comments, or further products you would like to be prepared for Budget Day.

Annex B: Budget 2024 Production Timeframes

May 2024

Monday	Tuesday	Wednesday	Thursday	Friday
29 April Cabinet agrees Budget 2024 package	30 April	1 May	2	3
6	7	8	9 First draft of Budget documents provided to you, update on tax calculator	10
13	14 BEFU final fiscal forecast advice provided to you	15	16 Second draft of Budget documents provided to you, update on tax calculator. BEFU: Fiscal projections advice provided to you. <i>Option to share drafts with Budget Ministers</i>	17 BEFU: Draft chapters provided to you. First draft press releases provided for your feedback
20	21 BEFU: Near final chapters provided to you, seeking your signature for the Statement of Responsibility	22	23 Final Budget documents (including speech and press releases, tax calculator) submitted for your approval by 24 May.	24 Your approval on Final Budget documents (including press releases and speech) needed 10am <i>To allow sufficient time for quality assurance and printing and binding</i>

			Your signature to the BEFU Statement of Responsibility sought.	<i>BEFU prints</i>
27 Budget and BEFU printing continues	28 Budget products and BEFU printing, collation, binding and logistics continues,	29 You receive advanced printed copies of the Budget, media kit and BEFU documents Photo opportunity at Parliament.	30 Budget Day Budget documents distributed in the morning to the PM, Deputy PM and AMoFs.	