

The Treasury

Budget 2024 Information Release

September 2024

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- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
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- [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 Draft Package

Date:	5 March 2024	Report No:	T2024/501
		File Number:	BM-2-4-2024

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Nicola Willis)	<p>Indicate which Budget 2024 package you would like to take to Budget Ministers 2</p> <p>Provide feedback on the draft Budget Ministers 2 slidepack</p>	6 March 2024 (for discussion at Budget Matters on 6 March)

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Emily Fulford	Senior Analyst, Budget ^[39]	^[35]	✓
Keiran Kennedy	Manager, Budget		

Minister of Finance's Office Actions (if required)

Return the signed report to Treasury.

Refer this report to the Prime Minister and Associate Ministers of Finance Hon Chris Bishop, Hon David Seymour and Hon Shane Jones.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Executive Summary

The Treasury has prepared a draft Budget 2024 package that is within the operating allowance over the forecast period but above allowances in the outyears

The draft package is **\$4.5 billion net operating** average per annum and **\$3.0 billion total capital**. On average each year within the forecast period is **\$101 million** below the Budget 2024 operating allowance (following pre-commitments as at 1 March). However, when reflecting the actual spending profile, the package is **\$77 million** per annum over the operating allowance in the outyears (i.e., from 2028/29).

This is because some spending initiatives are seeking more in the last year of the forecast period ^[33] and some savings initiatives are time limited ^[33] Operating funding being returned from the National Resilience Plan is also only time limited (i.e., does not extend beyond the forecast period). Further work will need to happen to get the package within allowances beyond the forecast period – the additional savings Budget Ministers have commissioned on savings will help with this.

The package is centred on meeting critical cost pressures whilst providing space for progressing Government policy commitments, including the tax plan

The Treasury's new spending package has been informed by an assessment of the value for money of each initiative, and prioritises two of the three priorities for Budget 2024 – addressing the rising cost of living, and delivering effective and fiscally sustainable public services.

A significant amount of new spending sought by portfolio Ministers has not been included in the Treasury's draft package and is recommended for deferral to future Budgets (including the Regional Infrastructure Fund, and particular Health and Law and Order initiatives). Adding further initiatives into the draft package will compromise to trade-off additional savings to keep within current allowances, and it will remain important to take a disciplined approach to spending on new programmes and activities.

There are also a number of initiatives where we have recommended providing time limited funding. This is either to incentivise the completion of reviews before further funding is considered or because the need for further funding is unclear at this stage.

You are meeting with Budget Ministers on Tuesday 12 March to discuss the latest draft of the Budget 2024 package. We recommend you indicate any feedback that you have in Annex A including any new spending initiatives you would like to add back into the draft package and any you would like to be removed to keep the package within allowances and meet your fiscal objectives. The package will continue to be iterated over the next month.

... as well as critical cost pressures for core public services...

We have included funding for the few agencies that were invited to submit cost pressures, including Health, Education and Justice agencies. This funding is based our assessment which has scaled the level of funding sought by agencies. You could choose to scale these further, but we consider there are limited options without impacting frontline services.

...but requires significant savings and reprioritisation, and difficult trade-offs

The package includes **\$1.6 billion operating** per annum of savings. A 20 percent discount rate has been factored in for risks associated with realising these savings. The Treasury is supporting Budget Ministers to identify additional savings to create further headroom.

You still have levers to keep the package within allowances. However, there are also risks you will need to continue to manage. You will need to decide to either scale Government policy commitments, find additional savings or significantly scale cost pressures.

We are also seeking your decisions on the Budget Policy Statement, which will be reflected in the upcoming early savings decisions Cabinet paper being considered on 18 March.

Recommended Action

We recommend that you:

- a **note** that the Treasury has developed a draft Budget 2024 package within current operating and capital allowances for your consideration
- b **note** that you are meeting with Budget Ministers on Tuesday 12 March to discuss the latest draft of the Budget 2024 package
- c **indicate** which draft Budget package you would like to take to Budget Ministers 2:

EITHER:

Option 1: The draft Budget package developed by the Treasury outlined in this report and reflected in the draft Budget Ministers 2 slidepack

Agree / Disagree

OR:

Option 2: An alternative Budget package, through providing feedback on which initiatives you would like included and/or excluded from the draft Budget package in Annex A

Agree / Disagree

- d **agree** to seek Cabinet’s agreement on 29 April (alongside the final Budget package) to establish a between-Budget operating contingency for funding urgent issues that cannot be deferred to Budget 2025 as set out below:

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Between-Budget operating contingency	[33]				

Agree / Disagree

- e **agree** the proposed overarching policy goals for inclusion in the 2024 Budget Policy Statement
 - i. **Building a stronger economy** that lifts incomes and increases opportunities for New Zealanders.
Agree / Disagree
 - ii. **Delivering more efficient, effective and responsive public services** to all who need and use them – in particular, restoring law and order and improving health and education outcomes.
Agree / Disagree
 - iii. **Getting the government’s books back in order** and restoring discipline to public spending.
Agree / Disagree

- f **provide** feedback on the draft Budget Ministers 2 slidepack (attached)
- g **note** you will receive further advice on taking a paper to Cabinet on 18 March to seek early decisions on particular savings proposals (where these are required to implement the initiative from 1 July 2024) and decisions to approve the Budget Policy Statement for publication on 27 March 2024
- h **refer** to Budget Ministers (the Prime Minister, and Associate Ministers of Finance Hon Chris Bishop, Hon David Seymour and Hon Shane Jones)

Refer / Not referred.

Keiran Kennedy
Manager, Budget

Hon Nicola Willis
Minister of Finance

____ / ____ / _____

Treasury Report: Budget 2024 Draft Package

Purpose of Report

1. This report outlines the Treasury's draft package for Budget 2024. It seeks decisions on which package you would like to take to Budget Ministers 2 (BM2) on Tuesday 12 March for discussion. We recommend you take the Treasury's draft package to BM2, however, you could choose to provide an alternative package through indicating which initiatives you would like to include and exclude from the package in Annex A.
2. You have received separate related advice on the Budget 2024 and outyear operating allowances [T2024/475 refers], the draft preliminary fiscal forecasts [T2024/443 refers] and further detail on proposed capital investment for Budget 2024 [T2024/511 refers].

Context for Budget 2024

This Budget must be tightly managed given the fiscal context and pressure on allowances

3. Economic growth has slowed as high inflation, and the restrictive interest rates necessary to address it, reduce spending in the economy. Growth is expected to remain subdued this year, especially in the context of strong population growth. These conditions are reflected in our forecast of modest employment growth, rising unemployment and increasing spare capacity in the economy. However, as interest rates decline and growth in real wages picks up, GDP growth is expected to increase, rising to 1.9% and 3.1% in 2024/25 and 2025/26 respectively.
4. The current economic and fiscal outlook necessitates a tight focus on new spending for Budget 2024. You have received the Treasury's preliminary economic and tax forecasts [T2024/341 refers], and advice on the indicative OBEGAL track [T2024/443 refers], which suggests a significant downward revision – although the Treasury is still in the early stages of preparing our fiscal forecasts.
5. The Government established a fiscal sustainability programme to generate sufficient reprioritisation, savings and revenue options, tighten fiscal discipline and ensure collective ownership and accountability for the fiscal position and value for money [CAB-23-MIN-0490 refers]. This is a three-year programme so will take a concerted and sustained effort to implement. As a first step, you delivered a Mini Budget in December 2023 which initiated urgent savings decisions and set out actions to deliver on this programme, both through Budget 2024 and in the longer term.
6. While the Mini Budget created further headroom in the Budget 2024 operating allowance, a significant portion of this has already been pre-committed (\$480 million operating per annum) and there is spending outside allowances which have an impact on OBEGAL. This leaves \$4.7 billion net operating per annum to be allocated through the Budget 2024 process. You have also agreed to increase the Multi-year Capital Allowance (MYCA) by up to \$7 billion, which increases the overall allocation for Budgets 2024-2027 to \$12.2 billion [T2024/327 refers].

...with a focus on savings and reprioritisation...

7. Given the limited new funding available and the deteriorating fiscal outlook, Cabinet agreed that Budget 2024 be centred around an 'Initial Baseline Exercise' focused on finding significant savings to deliver on the Government's fiscal objectives, policy commitments and fund critical cost pressures. To ensure agencies identified sufficient savings options, the Treasury ran an assurance process which involved a panel conducting a high-level assessment of proposed agency savings pre-submission [T2024/25 and T2024/182 refer].

- 8. Cabinet also agreed to review the capital investment pipeline through Budget 2024, as it is currently oversubscribed beyond what agencies and the market can deliver. This review covers medium and high-risk investments both in planning and delivery and aims to rephrase and reprioritise investments to build a more sustainable pipeline.
- 9. Only a few agencies were invited to submit cost pressures in Budget 2024, with most agencies required to absorb these pressures within existing or reducing baselines. The Treasury has scaled these initiatives, and while you could further reduce funding provided, this would likely have an impact on core frontline services.

...to deliver on the Government’s priorities

- 10. The Government’s priorities for Budget 2024 are: addressing the rising cost of living, delivering effective and fiscally sustainable public services, and building for growth and enabling private enterprise [CAB-23-MIN-0490 refers].
- 11. The first and second priority are reflected in the Treasury’s draft package, however pressure on allowances means difficult trade-offs will be required to achieve these priorities. The third priority is not a focus of the draft package, therefore, you may wish to trade-off other initiatives to increase investment in this area or deemphasize this priority for Budget 2024. Regardless, new spending will have to be sequenced over the term, with only the most critical commitments implemented in Budget 2024.

Overview of draft Budget 2024 package

- 12. Agencies submitted approximately 143 spending initiatives and 276 savings and reprioritisation proposals for operating and capital expenditure. The table below outlines the aggregate numbers you have been provided to date and how they have changed.

Table 1 – Overview of numbers to date

Timing	Funding (net over forecast period)	Comment
Initial snapshot (18 February)	\$27.7 billion operating \$24.9 billion capital	This was an initial snapshot of funding sought based on agency submissions from 16 February
Budget Ministers 1 (26 February)	\$25.9 billion operating \$20.8 billion capital	This provided an updated view following a further review of submissions, and removal of uninvited initiatives
Budget Ministers 1.5 (4 March)	\$22.5 billion operating \$17.6 billion capital	This reflects the Treasury’s initial recommendations, with a 20 percent adjustment to savings, and fully funding government priorities as at 4 March and any additional pre-commitments since 26 February

The Treasury’s draft Budget 2024 package is within the operating allowance over the forecast period but above allowances in the outyears

- 13. Based on our first best advice, we recommend funding **\$4.5 billion net operating** per annum and **\$3.0 billion total capital**. Table 2 below provides further detail.
- 14. On average each year within the forecast period is \$146 million below the Budget 2024 operating allowance (following pre-commitments as at 1 March). However, when reflecting the actual spending profile, the package is \$118 million per annum over the operating allowance in the outyears (i.e. from 2028/29). This is because some spending initiatives are seeking more in the last year of the forecast period ^[33] and some savings initiatives are time limited ^[33]. Operating funding being returned from the National Resilience Plan is also only time limited (i.e. does not extend beyond the forecast period). Further work will need to happen to get the package within allowances beyond the forecast period – the additional savings Budget Ministers have commissioned will help with this.

Table 2 – Overview of submissions vs draft Budget package

Budget Package Summary - as at 5 March 2024

Budget 2024 - Budget Package	Department Submitted			Draft Budget Package - as at 5 March							
	Operating Allowance		Multi-year Capital Allowance	Operating Allowances					Multi-Year Capital Allowance		
	Total Operating	Average Per Annum	Total Capital	2023/24	2024/25	2025/26	2026/27	2027/28 and Outyears	Total Operating	Average Per Annum	Total Capital
Millions Savings / (Spending)											
Budget 2024 Allowances	14,000	3,500	2,900	-	3,500	3,500	3,500	3,500	14,000	3,500	2,900
Precommitments agreed by Cabinet	(9,768)	(2,442)	120	(121)	(871)	(923)	(1,077)	(740)	(3,733)	(933)	120
Mini Budget decisions	7,470	1,867	455	228	1,153	2,501	2,112	1,475	7,470	1,867	455
Expected Pre-commitments	(1,782)	(445)	-	-	(345)	(72)	11	11	(395)	(99)	-
<i>Expected Pharmac precommitment</i>				-	(445)	(445)	(445)	(445)	(1,782)	(445)	-
<i>Expected Smokefree Repeal</i>				-	100	400	500	500	1,500	375	-
[38]											
Return of National Resilience Plan*	-	-	-	-	352	352	352	352	1,406	352	1,700
Multi-Year Capital Allowance Top up	-	-	-	-	-	-	-	-	-	-	7,000
[33]											
Remaining Unallocated Allowances	9,921	2,480	3,475	107	3,749	5,317	4,858	4,558	18,588	4,647	12,175
Spending, Revenue and Savings against allowances											
Savings and Revenue	8,781	2,195	1,396	599	1,343	1,379	1,487	1,529	6,337	1,576	1,264
Baseline savings	5,481	1,370	647	145	912	944	973	1,010	3,985	996	526
Additional Savings from Kāinga Ora savings	-	-	-	14	28	35	41	41	160	32	-
Targeted Policy savings and revenue	3,413	853	10	257	382	373	444	450	1,906	477	8
Capital Pipeline Review	(113)	(28)	738	182	22	27	28	28	286	71	730
New Spending	(25,575)	(23,754)	(6,394)	(88)	(2,733)	(4,141)	(3,937)	(3,938)	(14,838)	(3,709)	(3,016)
Government Policy Commitment	(6,693)	(17,316)	(1,673)	(81)	(631)	(641)	(215)	(346)	(1,915)	(479)	(2,623)
Tax Package	(16,547)	(13)	(4,137)	(7)	(2,088)	(3,470)	(3,682)	(3,543)	(12,791)	(3,198)	-
Capital Investment	(2,335)	(6,425)	(584)	(0)	(14)	(30)	(40)	(49)	(132)	(33)	(393)
Cost Pressures and Capital Cost Escalations	(9,113)	(2,278)	(1,961)	(51)	(2,383)	(2,415)	(2,324)	(2,477)	(9,650)	(2,412)	(1,257)
Cost Pressures	(8,123)	(2,031)	(706)	(49)	(2,120)	(2,256)	(2,262)	(2,440)	(9,126)	(2,282)	(680)
Capital - Cost Escalations	(990)	(247)	(1,255)	(2)	(264)	(159)	(62)	(37)	(523)	(131)	(577)
Total Budget Submissions	(25,907)	(6,477)	(24,320)	460	(3,774)	(5,177)	(4,774)	(4,886)	(18,150)	(4,546)	(3,009)
Remaining within / (Over) Budget Allowances	(15,986)	(3,996)	(20,845)	566	(25)	140	84	(328)	438	101	9,166

Note that:

There may be further saving opportunities from Kāinga Ora, however Treasury are currently working through the fiscal treatment of the additional savings. The Treasury are undertaking a Tagged Contingency review, and will present further savings opportunities that may arise from items raised through the March Baseline Update (MBU) process. The remaining Operating funding of the National Resilience Plan is \$1.4 billion, is not ongoing and averaged across the four years.

Between-Budget Contingency and pre-commitments

15. Each year, a between-Budget contingency (BBC) is established to manage urgent operating costs that arise between Budgets and cannot be managed from within baselines. The BBC is funded from the upcoming Budget's operating allowance and is typically around ^[33] per annum. You will need to decide what quantum you want to set for the 2024/25 BBC. While ^[33] per annum is not sufficient to meet significant out of cycle costs, a larger number means you have less funding available to allocate in the main Budget process. You will need to balance these two objectives.
16. Any significant out of cycle costs need to be funded from pre-commitments against the upcoming operating allowance. The Treasury recommends that pre-commitments are limited to where there is genuine urgent need so that most initiatives can be traded off through a single process.
17. The Government has made (or in the process of making) a number of significant pre-commitments recently, most notably for tax initiatives (Interest Deductibility) and Pharmac [EXP-24-MIN-0004 refers]. We recommend that there are no further pre-commitments against the Budget 2024 operating allowance and MYCA or only in very limited circumstances to ensure there is sufficient headroom to fund cost pressures and other Government policy commitments.

Approach to the draft package and key choices

The draft package represents the Treasury's first best advice

18. The package includes the critical cost pressures and Government policy commitments we consider should be funded in key sectors within remaining allowances (after pre-commitments and realisable savings and revenue options have been factored in).
19. The Treasury has taken a hard-line approach to what is included in the draft Budget package and Ministers will need to create headroom within allowances to fund additional priority initiatives. We have used the following approach to determine what is in the package:
 - a **Government policy commitments** (including time limited funding): the tax package at the high end and other new policy commitments that we have assessed as being value for money and progressing the Budget 2024 priorities.
 - b **Cost pressures:** the amount we consider critical, and agencies cannot manage within baselines without impacting frontline services or defer to Budget 2025.
 - c **Savings:** all submitted savings (both baseline reduction targets and targeted policy savings) that meet the criteria and are considered reasonable and deliverable. A 20 percent discount rate has been applied to account for risks associated with realising the savings options (see paragraph 36 below).
 - d **Capital:**
 - i. For **cost escalations**, funding for investments in delivery that will face significant delay or result in service failure if not funded, with the expectation that all other agency submitted cost escalations are met within baselines.
 - ii. For **new capital investments**, funding for those that meet the criteria agreed by Cabinet, including replacing critical assets that have reached their end-of-life or are at risk of failure.

- iii. For the **capital pipeline review**, reprioritised funding for asset renewals and maintenance, and critical data and digital initiatives.
20. The Treasury's recommended Budget 2024 package is based on a bottom-up value for money assessment of invited initiatives. This includes considerations such as:
- a **alignment** of the initiative with the Government's Budget 2024 priorities, stated goals and commitments,
 - b weighing of benefits and costs to demonstrate **value**, including clear problem definition and demonstration of how the initiative delivers the best value to address the problem (including consideration of non-fiscal benefits and costs),
 - c assurance of effective and efficient **delivery** to realise the benefits, including monitoring, evaluation, and reporting arrangements, and
 - d **distribution of impacts** across the population for different types of New Zealanders, different sectors, and their impact over time (i.e., intergenerational).

...however, difficult trade-offs will be required to keep within allowances

21. While the stricter approach to invitations into the Budget process has led to fewer and more focused initiatives, there will still be significant and difficult trade-offs required to finalise a Budget package within allowances, progress the Government's policy commitments and maintain core public services (particularly frontline). Ministers will need to decide to what extent they want to progress further savings (and the trade-offs associated with these) in order to fund new spending proposals.
22. To keep within allowances, Budget Ministers will need to make number of strategic decisions either to:
- a **scale Government policy commitments** and how the package is balanced between tax vs non-tax commitments,
 - b **find additional savings** to fund a mixture of Government commitments, and cost pressures, or
 - c **significantly scale cost pressure** funding for core public services in order to focus the package on new spending.
23. While you could focus across all three areas in paragraph 22 above, we recommend that you concentrate on options a and b above. Further scaling cost pressures is likely to impact frontline services and may also lead to reductions in the quantum of baseline savings that can be achieved as agencies will need to retain sufficient funding to meet these pressures (unless policy decisions are taken).

Government policy commitments

24. Cabinet invited new spending initiatives into Budget 2024 to deliver on the Government's coalition commitments [CAB-23-MIN-0490]. Given the limited funding available, it was agreed that this Budget would focus on time critical commitments with other initiatives to be phased over the term.
25. The Treasury's draft package recommends **\$14.9 billion operating** and **\$3.0 billion capital** over the forecast period for Government policy commitments. Of this:
- a \$12.8 billion operating is recommended for the tax package.

- b \$1.9 billion operating and \$2.6 billion capital is for other Government policy commitments. Of these initiatives \$xx billion operating is for programmes that currently have time limited funding.
- c \$132 million operating and \$393 million capital for the capital package.

Key choices for funding Government policy commitments

- 26. One of the key choices for yourself and Budget Ministers is the balance across the Government’s policy commitments. This will require consideration of your new spending priorities and how you want to focus new spending on the tax package vs progressing other Government policy commitments (i.e. between the first and second of the Government’s Budget priorities).
- 27. The Government has already pre-committed (or in the process of pre-committing) **\$3.7 billion** operating over the forecast period for tax initiatives (**FamilyBoost** and **restoring interest deductibility** for residential rental properties), and the remaining tax proposals (**FamilyBoost, Personal Income Tax and Independent Earner Tax Credit threshold changes, and In-Work Tax Credit changes**) make up a significant portion of the unallocated Budget 2024 operating allowance.
- 28. There are other Government policy commitments that the Treasury has assessed as being aligned with the Government’s priorities, demonstrating value or being deliverable (these are not mutually exclusive), and therefore, recommend funding (with some scaling):
 - a **Education** (including Tertiary), such as:
 - i. Partnership Schools and structured approaches to literacy, which are aligned with the Government’s priorities but have been scaled to improve their deliverability, and
 - ii. changes to the vocational education and training system, and the disestablishment of Te Pūkenga (New Zealand Institute of Skills & Technology).
 - b **Health**, for example, timely access to COVID-19 vaccine and therapeutics, and ongoing cost-effective management of COVID-19, and
 - c **Law and order**, including:
 - i. Fast Track youth offending programmes, which we recommend continuing in its current form ^[33]
 - ii. Responding to gang harm and taking a tougher approach to sentencing, which we consider to be high-value activities that can relieve some pressures on the courts system.
- 29. However, to keep within allowances, there are a number of Government commitments the Treasury does not support or proposes deferring to Budget 2025 as they have been assessed as low value for money or not deliverable for Budget 2024, namely:
 - a **The Regional Infrastructure Fund** (\$1.2 billion total capital and \$24 million operating) – we **recommend** deferring a decision on this to develop a proposal that better aligns with overall Government priorities. The proposed scale of the fund likely exceeds the scope of high value investments in the respective categories.

- c A number of **Health investments**, including initiatives where:
 - i. there is unlikely to be capacity in the sector to manage projected demand (e.g., Gumboot Friday – \$24 million total operating and Breast Screen Extension to 70-74 year-olds – \$28 million total operating and \$7 million total capital) or the broader health workforce strategy needs to be considered (Training 50 more doctors – \$20 million total operating and \$26 million total capital)
 - ii. [33] and [34]
 - iii. [33]
 - d Several **law and order** initiatives, including Corrections rehabilitation programmes (which are not implementation ready), and addressing serious youth offending (where there is a lack of evidence of its value). The Treasury proposes deferring decision on investing in 500 additional police officers until there is a clear delivery plan in place, however, there is also an alternative scaling option should you wish to fund this through Budget 2024.
30. If Budget Ministers wish to add any initiatives back into the package, other initiatives will need to be removed or further scaled. The Treasury can also provide advice on scaled options of these new initiatives for the minimum viable funding to progress them on a smaller scale.

Time limited funding

We recommend the following approach to initiatives that previously received time limited funding

- 31. You received advice on 4 December 2023 regarding programmes with time limited funding that expire within the forecast period, particularly before 30 June 2024 [T2023/2026 refers]. You agreed to invite most of these initiatives into the Budget 2024 process to consider where continued funding should be provided.
- 32. On 27 February 2024, the Cabinet Expenditure and Regulatory Review Committee agreed to pre-commit \$1.8 billion total operating against the Budget 2024 operating allowance to fund **Pharmac's** Combined Pharmaceuticals Budget [EXP-24-MIN-0004]. This is the most sizeable time limited funding initiative.
- 33. We recommend providing scaled funding for the majority of other time limited funding programmes, particularly where they relate to an unavoidable cost pressure (e.g., **Geohazard information services**) or would require policy decisions in the short term to cease funding (e.g. **the domestic and international New Zealand Screen Production Grants**).
- 34. We recommend disestablishing the **Apprenticeship Boost** and returning unspent funding to the centre. Evidence of the scheme's outcomes are unclear and the cost is significant. While the number of apprenticeships has increased under the scheme, course completion rates are low, and no formal evaluation of the scheme has yet been undertaken, or is planned, to draw a causal link between the scheme and outcomes. There may be options to consider a more targeted support of growth industries.

35. You invited the Ministry of Education to provide options to target the scope of the **Ka Ora, Ka Ako Healthy School Lunches** programme, including different structural design options and ways to manage demand. The Ministry has sought \$341 million total operating to continue the programme for one further school year while advice is developed on policy settings to better target the initiative.
36. The Treasury recommends further targeting of the programme by reducing the coverage of students to 20 percent of the equity index. However, recommended funding (**\$828 million operating**) is higher than that sought as we propose providing ongoing baseline funding rather than continuing a time limited funding approach. Alternative options that involve removing the universal element and/or revising delivery model are being progressed between the Ministry of Education and Minister Seymour. The Treasury will be engaging on the development of these options and will provide further advice to inform Budget 2024 decisions.

...and we have recommended the use of time limited funding for a number of new initiatives

37. There are a number of initiatives in the wider Budget 2024 process that we recommend providing time limited funding for the following reasons:
 - a to provide time for further development of an initiative or the conclusion of wider reviews (e.g., Metro Rail Operating Model Review)
 - b only a year or two of funding is required (e.g., for the Historic Claims of Abuse in Care Unit at the Ministry of Social Development, continuation of funding is connected to the Final Report of the Royal Commission of Inquiry into Abuse in Care is due between March and June 2024)
 - c the need for further funding beyond 2024/25 is unclear at this stage (e.g., North Island weather events debris removal), or
 - d it relates to time limited liabilities (e.g., Education's financial compliance requirements for Holidays Act 2003 liabilities).
38. We will provide further advice on how you can be transparent on time limited funding initiatives in the Budget 2024 communications material.

Cost pressures

39. Cabinet agreed to invite a limited number of urgent cost pressures by exception into the Budget 2024 process, where agencies could not fund these through reprioritisation without unpalatable trade-offs [CAB-23-MIN-0490].^[33]
40. You requested that Health, Education and Whaikaha provided reprioritisation options to offset cost pressures and redirect funding to frontline services, in lieu of being provided a savings target for non-departmental funding. The expectation for remaining agencies was that they would fund any cost pressures through reprioritisation of their existing (or reduced) baseline. However, these agencies were given the opportunity to highlight any critical uninvited cost pressures in their summary template. You will receive further advice on these initiatives ahead of your Budget bilaterals with portfolio Ministers.

Health

41. You and the Minister of Health have agreed to progress multi-year funding for **Te Whatu Ora's** (Health New Zealand's) cost pressures at Budget 2024, which would cover Budgets 2024-2026 [H2024034979 refers]. This is based on the expectation that Te Whatu Ora would not seek additional cost pressure funding until Budget 2027.
42. The previous Government issued top-down planning parameters for Te Whatu Ora and Te Aka Whai Ora (the Māori Health Authority) in March 2023 (see Table 3 below), which were built into the fiscal forecasts at the 2023 Pre-election Economic and Fiscal Update. However, these numbers have not been formally pre-committed against the Budget 2024 operating allowance and therefore, are subject to decisions by Budget Ministers.

Table 3 – Top-down planning parameters for Health

\$ million	2024/25	2025/26	2026/27	2027/28 and outyears
Budget 2024	1,430	1,430	1,430	1,430
Budget 2025	-	1,370	1,370	1,370
Budget 2026	-	-	1,370	1,370
Total	1,430	2,800	4,170	4,170

43. The planning parameters were built around a set of core conservative assumptions including wage and price inflation, demographic growth and a certain level of efficiencies. ^{[33] and [38]}
44. We recommend providing Te Whatu Ora funding slightly below the top-down parameters of **\$1.3 billion operating per annum** for the Budget 2024 portion of the multi-year funding agreement. ^{[33] and [38]}
92 percent at of the top-down planning parameters.

Table 4 – The Treasury's recommended cost pressure track for Health

\$ million	2024/25	2025/26	2026/27	2027/28 and outyears
Budget 2024	1,318	1,318	1,318	1,318
Budget 2025	-	1,284	1,284	1,284
Budget 2026	-	-	1,325	1,325
Total	1,318	2,602	3,927	3,927

45. We consider this is the minimum viable funding for core health pressures, while also factoring in efficiencies, that credible reprioritisation options are delivered, and Te Whatu Ora manages a range of financial risks. There will also need to be quality and monitoring of implementation plans, reporting and delivery. Further reprioritisation options would involve raising thresholds for access to clinical services, reducing access to higher resource intensive hospital procedures, and creating new co-payments.

Education

46. The **Ministry of Education** (MoE) was invited to submit a range of volume, remuneration and inflationary cost pressures for departmental and non-departmental expenditure across Vote Education and Vote Tertiary Education, and has sought a total of ^{[33] and [38]} over the forecast period.

47. We have recommended ^[33] and ^[38] over the forecast period, focused on non-discretionary, urgent pressures, and on maintaining quality frontline service provision as a priority area for Government spending. Key high-quantum cost pressures included in the Treasury package include:
- a Cost adjustments for operating grants:
 - i. 1.5 percent uplift for early childhood education (\$150 million over the forecast period) – scaled from the 2.5 percent uplift
 - ii. 2.5 percent uplift for school grants, with some targeted components funded at 3 percent (\$179 million over the forecast period) – scaled from an overall 3 percent uplift, and
 - iii. 2.5 percent uplift for tertiary education (\$266 million over the forecast period) – supported in full due to current pressures on the tertiary education system, and complemented by increasing fees.
 - b ^[38]
 - c \$580 million total operating for increased depreciation costs associated with revaluations of the education property portfolio. We consider this funding to be critical to maintain student learning environments, and avoiding deferred maintenance leading to increased costs in the future. Our bilateral advice will provide detail on our recommendation.

48. In addition to its baseline reduction target, you also invited MoE to submit reprioritisation and scaling options to offset their cost pressures by up to 50 percent ^[33]

49. The reprioritisation options presented by MoE include high value and popular programmes (e.g. Māori and Pacific Trades Training and Creatives in Schools). We consider there are other initiatives Ministers could instead choose for reprioritisation. We will provide further advice in our Education bilateral briefing.

Social service agencies

50. **Whaikaha – the Ministry of Disabled People** faces significant volume and price pressures given their services are akin to health services, where there are limited levers in the short term to manage demand, particularly due to the devolved nature of Disability Support Services.

51. ^[33]

52. Further scaling would likely require more significant cuts to services (e.g., waitlisting and cutting existing service allocations), which will have negative impacts for disabled people. We recommend reviewing the fiscal sustainability of Disability Support Services over the next 2-3 years, and there are opportunities to implement these reviews as part of Budget decisions.

54. [37]

Justice Sector agencies

55. Justice sector agencies were also invited for significant cost pressures at Budget 2024, largely focussed on remuneration pressures for frontline staff and capital cost escalations. Budget decisions for these agencies should be considered together given the interconnected nature of the justice pipeline. We recommend that you also consider Justice sector agencies were given significant multi-year funding in Budget 2022 through the cluster pilot (covering Budgets 2022-2024).

56. [38]

57.

58.

59. Corrections also have significant volume cost pressures associated with prison population growth, as well as limited prison network capacity. To address these pressures, the draft Budget 2024 package includes [38] **operating and** [37] **capital** for pressures associated with forecast growth to 10,000 prisoners [33] and an 810-bed expansion to Waikeria Prison. [33]

Defence

60. We have significantly scaled the New Zealand Defence Force (NZDF) remuneration cost pressures to only **\$120 million operating** over the forecast period for targeted increases for in-demand specialist trades. With regards to savings, a large proportion relies on decisions to divest assets, which NZDF has also stated would come with a significant upfront cost.

61. [33]

Uninvited cost pressures

62. Most agencies were not invited to submit any cost pressure initiatives on the basis that they should reprioritise within their baselines to fund these. In order to meet these pressures, agencies have indicated that they intend to focus on the following areas:
- a reducing service levels by stopping work, slowing delivery, and reducing FTE;
 - b reducing asset maintenance expenditure, insurance, and selling assets;
 - c reducing spending on travel, training, property footprint, contractors & consultants;
 - d looking for further efficiencies; and
 - e increasing fees.
63. Only a few agencies have detailed plans of how cost pressures will be managed. Most agencies have not quantified how they will meet these costs. A number of agencies are also reliant on Budget 2024 funding to meet expected cost pressures (especially remuneration costs). The savings and performance plans in the second phase of the Fiscal Sustainability Programme will be a key lever to get more information on agencies' reprioritisation plans.
64. Ministers will need to continue to push reprioritisation and efficiencies beyond Budget 2024 decisions, and evaluate upfront trade-offs when considering new activities. However, it will be important to consider that some short-term savings options may increase costs in the medium- to long-term, particularly sweating assets and reducing maintenance funding. The Treasury's recommended cost pressure package is therefore not without ongoing fiscal sustainability risk. This risk is intensified by the significant savings likely to be progressed through Budget 2024, which means agencies will have limited flexibility ongoing to manage within reduced baselines.

Savings and revenue options

Baseline reduction target

65. This baseline reduction target required 39 agencies to meet a minimum level of credible and sustainable savings from its eligible baselines.
66. Agencies have collectively submitted baseline savings of approximately **\$1.4 billion on average per annum** with lower savings options presented for 2024/25, but growing over the forecast period (see Figure 1 below). Eleven agencies have not submitted savings options to meet their baseline reduction target.

Targeted policy savings

67. In addition, a number of agencies were asked to submit targeted policy savings in excess of their baseline reduction target. Agencies have submitted targeted savings and revenue options totalling **\$853 million operating and \$10 million capital on average per annum**. However, two targeted savings proposals were not submitted as requested:
- a **First Home Grants** (Ministry of Housing and Urban Development) – this is now being considered as part of the additional targeted savings options agreed at Budget Ministers 1.5.
 - b [33]

68. A further two targeted savings options have been scaled or not included in the Treasury's draft budget package:
- a **International Visitor Levy (IVL)** (Department of Conservation and the Ministry of Business, Innovation and Employment) – the Treasury is concerned about the credibility of the options provided. Budget Ministers agreed at Budget Ministers 1.5 to proceed with increasing the IVL as a matter of priority. We are working through this and will provide you with further advice as part of Budget Ministers 3.
 - b **Waste Disposal Levy** (Ministry for the Environment) – the Treasury does not support widening the scope of the levy as proposed by the Ministry for the Environment and instead considers savings can be found by altering the hypothecation settings. Further advice will be provided for Budget Ministers 3.
69. We understand that the Ministry of Housing and Urban Development and the Ministry for Social Development have identified additional savings options post initiative submissions and are currently working these through with their respective Ministers and the Treasury. We will provide you with an update on these as part of the savings package advice for Budget Ministers 3.

The Treasury's recommended savings package

70. **\$1.6 billion on average per annum of savings** options which includes \$1.0 billion of baseline savings, \$477 million of targeted policy savings and revenue and \$71 million of capital pipeline review options on average per annum of revenue submissions have been included in the Treasury's recommended Budget 2024 package.
71. In addition, contractors and Consultants expenditure is expected to decrease over the next year by approximately 16 percent ^[33] as per information received through Public Service Commission quarterly reports. The forecast adjustments do not take Budget 2024 decisions into consideration.
72. The draft savings package includes removal savings deemed infeasible or which present significant risks to frontline services by Treasury Vote teams. In addition, a 20% discount rate has been applied to all savings as a result of system-level risks to realising the savings package that are not yet quantifiable. These risks include:
- a A ^[33] has been recommended as part of savings proposals. Some of these relate to corresponding policy changes, however, a large **number** are proposed to be managed through holding vacancies and attrition.
 - b Some agencies, in particular, the Treasury, Department of Internal Affairs and the Ministry of Health have also submitted '**efficiency' type dividends** with limited detail to achieving this. Without being able to analyse how agencies plan to achieve these savings, realisation risks remain present.
 - c Some agencies have **apportioned the 6.5% or 7.5% in savings across its business evenly**, in particular the Ministry of Culture and Heritage and the Ministry for Business, Innovation and Employment. This means that savings have been proposed from smaller Crown entities, e.g. the Broadcasting Standards Authority, who already have significant pressures and are unlikely to maintain these savings.

Taking savings from these types of agencies now, without a longer-term review of settings, will likely result in cost pressures in later years. This approach also makes it difficult to understand the relative priority within agencies and the associated trade-offs and, therefore, any potential flow on implications. It is unclear in many cases whether the lowest value programmes have been proposed for savings.

- d There are a number of savings options submitted that **do not meet the definition of a sustainable baseline reduction** (for example, levy changes, use of tagged contingencies, and time limited funding) and/or may not have an impact on OBEGAL (for example changes to forecasted expenditure rather than appropriation reductions).
73. We are working with the Public Service Commission on employee related risks to understand each agency's assumptions and the impact on savings if these do not eventuate, e.g. through lower turnover than expected.
74. We are also working through the technical elements of each submissions to determine OBEGAL impacts. We have removed some very clear deviations from the baseline reduction guidelines through Vote team assessments (e.g., use of levies and some tagged contingencies) but are working through some of the more technical elements of the individual initiatives in order to quantify this reduction.
75. We will provide you with further adjustments to the savings package, accounting for the risks above, as part of the Budget Ministers 3 material. In addition, we will discuss with you, the savings proposals that may require early Cabinet decisions on 18 March 2024 in order to be realised.

Potential additional savings

76. Identifying and securing additional savings options will be important in order to balance your Budget, with a number of proposals and forecasts still subject to change. Budget Ministers have agreed to five independent reviews (the Ministry of Business, Innovation and Employment, Ministry for Social Development, Ministry for the Environment, Ministry of Education and NZ Police (head office only) in order to challenge savings opportunities.
77. In addition, the Treasury is undertaking analysis of all savings proposals and is identifying opportunities to go further, including whether tagged contingencies reviewed as part of the March Baseline Update should be returned to the centre. This will have a particular focus on the largest growth agencies. Some of the additional savings options are likely to be able to be implemented ahead of Budget 2024, whilst a number require substantial policy decisions and/or reviews. We view it as critical that savings identification does not stop at Budget 2024 and note that by making policy changes, you could unlock significantly more savings options for Budget 2025 and beyond.
78. Ministerial agreement may be required to realise further savings and/or amend current initiatives. We will provide you with a list of 'quick wins', realisable for Budget 2024, and post Budget 2024 options for Budget Ministers 3. This advice will include how hard we recommend you push and in what category, depending on how the package evolves post Budget Ministers 2. It will also incorporate the targeted savings options agreed at Budget Ministers 1.5 and any initial findings from the Independent Rapid Reviews that Budget Ministers have agreed to establish.
79. You have agreed to disestablish the Climate Emergency Respond Fund [T2024/415 refers], and as part of this have asked for further information on savings associated with reprioritising existing investments. Potential savings will include a mix of ongoing and time limited funding. We will provide you with advice on potential savings as part of the consolidated savings advice for Budget Ministers 3 referenced above.
80. The Treasury recommends setting aside funding for transitional costs for savings associated to redundancy payments. This assumption is based on historic trends, with an upper limit due to the nature of increases made to average workforce salaries over time. The Treasury will undertake further analysis on what the likely costs may be and how these can be managed.

Capital

81. We have recommended capital investment that balances funding key Government priorities and critical assets and services, incentivises good planning, and provides market signals about investment intent. We recommend funding \$3.5 billion total capital and \$423 million associated operating on average per annum for capital investments.
82. We have provided you and the Associate Minister of Finance Hon Chris Bishop with a separate report on capital investment for Budget 2024 [T2024/511 refers]. This provides more detail on the assessment process undertaken by the Investment Panel, as well as how decisions taken at Budget 2024 can provide a clear pathway to developing a more stable long-term capital investment pipeline.

Cost escalations

83. We have recommended funding or partial funding for initiatives that are facing significant cost pressures and will either be delayed or risk asset failure if not funded. We have recommended other interventions for the following initiatives where we consider there is significant ongoing risk that will need close management.

New funding is focused on key Government priorities and critical asset maintenance, renewals and upgrades

84. We have recommended a package of new initiatives focused on making better use of existing assets, and continuing ongoing asset maintenance, renewals and build programmes. This includes both infrastructure initiatives as well as renewals of data and digital investments for core public services.
85. The most significant investment is for the National Land Transport Fund, which was considered by Cabinet on Monday 4 March.
86. There are a number of reviews or plans that are underway across capital intensive agencies¹. We consider it is important for these to be completed to enable Ministers and Cabinet to make better informed decisions on the broader investment needs of these agencies at Budget 2025.
87. Given the market disruption and uncertainty the reviews underway are potentially creating, it is critical to confirm agencies will continue with pre-construction activity, to communicate the strategy to stakeholders and the public, and ensure this work moves quickly to inform Budget 2025 decisions.

Savings and reprioritisation proposals

88. Agencies have identified initiatives for which they propose to return funding where these are not Government priorities, and where they propose to reprioritise allocated funding towards higher priority initiatives. ^[33]
We have supported these proposals and consider the risks of these proposals are low.

¹ Housing, Transport, Health, Defence and Education
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Impact of draft package on key sectors

89. We have undertaken analysis on the overall package (across spending and savings, and operating and capital) impact across key sectors (see Table 5 below).

Table 5 – Impact of overall package on key sectors

Sector	Initiative	Total Funding sought		Total Funding recommended		Comment
		Operating (\$m)	Capital (\$m)	Operating (\$m)	Capital (\$m)	
Health	Cost pressures	[33] and [38]	-	5,272	-	We have recommended significant funding for Health cost pressures, however, minimal funding for Government policy commitments and capital investment as we consider these can be deferred to Budget 2025.
	New spending	[33] and [38]				
	Capital					
	Savings	(202)	-	(339)	-	
	Net total	[33] and [38]				
Education	Cost pressures	[33] and [38]	-	[33] and [38]	-	We have recommended what we consider minimum viable funding for Education cost pressures, which factors in several reprioritisation options. We recommended several new spending initiatives that we consider value for money.
	New spending		70		52	
	Capital		827		595	
	Savings		(8)		(121)	
	Net total		669		310	
Defence Force	Cost pressures	[33] and [38]		120	-	We have recommended minimal funding for remuneration cost pressures and critical capital investments that we do not consider can be deferred until a broader review of NZDF's capital requirements.
	New spending			-	-	
	Capital			106	216	
	Savings	(776)	-	(177)	-	
	Net total	[33] and [38]		49	216	
Justice sector agencies	Cost pressures	1,630	706	1305	680	We have recommended funding critical remuneration pressures funding as well as volume pressures for Corrections. We have supported scaled funding for a number of Government policy comments across the sector.
	New spending	1,252	28	12	-	
	Capital	145	439	34	139	
	Savings	(882)	-	(906)	-	
	Net total	2,209	1,187	480	828	

Analysis, including workforce implications

Value for money analysis

90. In forming the draft package, we have undertaken an initial bottom-up assessment of the value for money of submitted initiatives, focussed on alignment to Budget 2024 priorities, value proposition of the initiative, and deliverability.
91. This typically involves consideration of how the submitted initiatives align with statutorily-required wellbeing objectives and overarching goals for the Budget. We have not been able to provide this lens given the wellbeing objectives and overarching goals have not yet been agreed but can provide that analysis ahead of future Budget Ministers' meetings.

Overarching goals and wellbeing objectives for Budget 2024

92. On 11 December, Cabinet invited you to report back in the New Year on the overarching policy goals and wellbeing objectives required to be published in the Budget Policy Statement under the Public Finance Act 1989 [CAB-23-MIN-0490]. Working with your office, we have developed the following overarching policy goals for your consideration, which build on the Budget 2024 priorities agreed by Cabinet:
 - a **Building a stronger economy** that lifts incomes and increases opportunities for New Zealanders.
 - b **Delivering more efficient, effective and responsive public services** to all who need and use them – in particular, restoring law and order and improving health and education outcomes.
 - c **Getting the government's books back in order** and restoring discipline to public spending.
93. The intention is that these goals will be relatively enduring and can be retained over several Budgets (including incorporating them into our assessment tools) as achieving them will require sustained focus and effort. They can also serve as your wellbeing objectives as they meet the requirements of the Act that wellbeing objectives must relate to "social, economic, environmental, and cultural wellbeing and to any other matters that the Government considers support long-term wellbeing in New Zealand". The Budget Policy Statement will need to explain how these are intended to support long-term wellbeing in New Zealand.
94. You have agreed to publish the Budget Policy Statement on 27 March [T2023/2071], which will require you to sign-off on the finalised document on 20 March to allow a week for publication. We propose using Budget Ministers 2 on 12 March to seek agreement to the overarching policy goals before reporting back to Cabinet on Monday, 18 March as part of the early decisions Budget Cabinet paper.

Climate Impacts

95. The Treasury is working with the Climate Change Interdepartmental Executive Board (CCIEB) Secretariat to assess the emissions impacts of the Budget 2024 package. We will provide further analysis on climate impacts for Budget Ministers 3 on 25 March.
96. The purpose of this analysis is to advise Ministers of instances where proposed decisions could impact the Government's ability to meet its obligations (particularly emissions budgets) under the Climate Change Response Act 2022. Officials at the CCIEB Secretariat, on behalf of the Minister of Climate Change, are currently preparing a paper further explaining New Zealand's climate goals and obligations for Cabinet's consideration on 15 April.

97. Agencies have identified 98 initiatives (new spending and savings) as likely having climate impacts (both positive and negative). In most cases, these appear to be minor and/or are more related to climate adaptation and resilience, rather than emissions. Little data was provided on the emissions impacts of returns. However, we are following up where we suspect impacts could be material. Agencies have also identified 18 savings options which were partially or fully funded from the CERF in Budget 2022 and Budget 2023.

Workforce implications

98. The Treasury and the Public Service Commission have assessed agencies submissions for workforce implications. For new spending and cost pressures, the Treasury has identified the following impacts on FTEs, and contractors or consultants for 2024/25 core public service and wider public sector². Overall, the workforce is still forecast to increase based the Treasury's recommended package. For Budget Ministers 3, the Treasury will provide further analysis on workforce implications, including a breakdown of occupation.

Table 6 – Breakdown of FTE impact of spending and savings initiatives

[34]

Next steps

99. You are meeting with the Treasury on Wednesday, 6 March at Budget Matters to discuss your feedback on the draft Budget package.
100. Any feedback on the package will be reflected before materials for Budget Ministers 2 are circulated on Friday 8 March, depending on whether you wish to provide the Treasury's package or a version with revisions.
101. Further advice will be provided prior to Budget Ministers 3 on:
- a further savings options
 - b distributional analysis, including Treaty of Waitangi implications
 - c an assessment of climate impacts, and
 - d a detailed breakdown of the FTE impacts of spending and savings initiatives.
102. The Treasury will shortly provide you with advice on the early decisions required for savings initiatives in the 18 March Cabinet paper.

² Wider Public Sector covers the Legislative, Judiciary and Executive branches of Government.
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Annex B: Budget 2024 Decision-making timeline over March and April

Mon	Tue	Wed	Thurs	Fri
March				
4	5	6	7	8
<p>Fiscal strategy advice to Minister of Finance</p> <p>Budget Ministers 1.5 - discussion on savings and status of package</p>	<p>Proposed Budget package and draft BM 2 materials to the Minister of Finance</p> <p>Bilaterals (Hon Potaka)</p>	<p>Budget matters meeting with Minister of Finance</p>		<p>Send BM 2 materials to Budget Ministers</p> <p>Budget bilateral briefings to the Minister of Finance</p>
11	12	13	14	15
<p>Bilaterals (Revenue, Transport and Health)</p>	<p>Bilaterals</p> <p>Budget Ministers 2 - consideration of draft Budget package and early Budget decisions</p>	<p>Bilaterals</p> <p>Budget matters meeting with Minister of Finance</p>	<p>Bilaterals</p> <p>Lodge Cabinet paper for approval for any early Budget decisions required</p>	<p>Bilaterals</p>
18	19	20	21	22
<p>Bilaterals</p> <p>Cabinet approves early Budget decisions</p> <p>Draft BM 3 materials to the Minister of Finance</p>	<p>Bilaterals (Education and Justice)</p>	<p>Budget matters meeting with Minister of Finance</p>	<p>Advice to the Minister of Finance on preliminary fiscal forecasts</p>	<p>Send BM 3 materials to Budget Ministers</p>
25	26	27	28	29
<p>Budget Ministers 3 - Substantive Budget package decisions</p>		<p>Budget Policy Statement released</p> <p>Budget matters meeting with Minister of Finance</p>	<p>Draft BM 4 materials to the Minister of Finance</p>	Good Friday

Mon	Tue	Wed	Thurs	Fri
April				
Easter Monday 1	2	3	4	5
		Budget matters meeting with Minister of Finance		Send BM 4 materials to Budget Ministers
8	9	10	11	12
Budget Ministers 4 - Outstanding Budget package decisions		Budget matters meeting with Minister of Finance		
		Budget Ministers 5 - Outstanding package decisions (if required)		
15	16	17	18	19
Advice to the Minister of Finance on final economic and tax forecasts		Budget matters meeting with Minister of Finance		
22	23	24	Anzac Day 25	26
		Budget matters meeting with Minister of Finance		Lodge final Budget 2024 package Cabinet paper
29	30	1	2	3
Cabinet approves the final Budget 2024 package (have confirmed Cabinet on 22 Apr)				
BUDGET MORATORIUM				