

The Treasury

Budget 2011 Information Release

Release Document

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [3] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [10] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [8] appearing where information has been withheld in a release document refers to section 9(2)(h).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

Hon Dr Nick Smith
Parliament Buildings
WELLINGTON

Dear Nick

In early December you forwarded to me the Four-year Budget Plans from the agencies listed below as part of the preparation for Budget 2011:

- Ministry for the Environment (Votes Climate Change and Environment); and
- Department of Labour (Vote ACC).

Budget Ministers met to discuss the Plans on Wednesday 15 December. At that meeting we agreed that the proposals for Votes Climate Change and Environment should be accepted with the exception of the proposal regarding the Freshwater Remediation Fund. I invite you to submit the proposal for the Freshwater Remediation Fund in the context of the wider freshwater management reform package. The proposal will need to go to Cabinet by March to be considered for Budget 2011.

As a Cabinet we will need to determine the relative priority of this proposal and whether it can be funded as part of the Budget. Cabinet agreed allocations of the operating allowance for Budget 2011 on 26 October. Funding for further proposals will require us to find other offsetting savings.

Budget Ministers also agreed to refer the submission for Vote ACC back to the agency to provide more information on the Non Earners' Account by 10 February 2011. The resubmission should discuss how any funding pressures are going to be managed over the four year period, the potential fiscal risks associated with the proposed separation of Dispute Resolution Solutions Limited and any possible working capital requirements to establish ACC in a competitive market.

Your departments should submit financial recommendations in March to give effect to any agreed changes to appropriations. Following that, estimates documents will be due in April. Treasury will publish further Budget guidance, including the timetable, shortly.

Yours sincerely

Hon Bill English
Minister of Finance