

The Treasury

Budget 2026 Information Release

September 2026

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Information Withheld

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

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

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(b)(i) - to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government
- [4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [7] 6(e)(ii) - to prevent serious damage to the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the regulation of banking or credit
- [12] 7(a)(i) - to avoid prejudice to the security or defence of the self-governing State of the Cook Islands
- [13] 7(a)(ii) - to avoid prejudice to the security or defence of the self-governing State of Niue
- [14] 7(a)(iii) - to avoid prejudice to the security or defence of Tokelau
- [15] 7(a)(iv) - to avoid prejudice to the security or defence of the Ross Dependency
- [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
- [26] 9(2)(ba)(i) - 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 to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- [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
- [41] 18(d) - information requested is or will soon be publicly available

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2026 Package: Vote Defence

On 7 May 2026, Cabinet:

Appropriation Administrator: Ministry of Defence

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2026 Budget package, as listed in the summary tables below and detailed in the attached initiative documents:

Summary of initiatives:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
17119	Defence Capability Plan - Supporting New Zealand's Defence Industry and the Delivery of the Defence Capability Plan	-	1.029	2.058	2.058	2.058
17592	Defence Capability Plan - Maritime Fleet Renewal Transformation and Programme Costs	-	1.415	2.878	3.323	3.018^
Total Operating		-	2.444	4.936	5.381	5.076

^ has irregular outyears.

Diana Hawker
Acting Secretary of the Cabinet

Vote: Defence

Appropriation Administrator: Ministry of Defence

Title: Defence Capability Plan - Supporting New Zealand's Defence Industry and the Delivery of the Defence Capability Plan

Description: This initiative provides funding for additional personnel to support governance, programme management, and reporting relating to the Defence Capability Plan. It also provides funding to develop a platform to support New Zealand's defence industry by assisting potential defence suppliers to build robust Industry Capability Plans.

Appropriation Changes

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Balance Impact*	-	1.029	2.058	2.058	2.058
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.029	2.058	2.058	2.058

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Departmental Output Expenses:					
Ministry of Defence Outputs (funded by revenue Crown)	-	1.029	2.058	2.058	2.058
Total Operating	-	1.029	2.058	2.058	2.058

Vote: Defence

Appropriation Administrator: Ministry of Defence

Title: Defence Capability Plan - Maritime Fleet Renewal Transformation and Programme Costs

Description: This initiative provides funding for additional staff and specialist services within the Ministry of Defence to transform the Royal New Zealand Navy across workforce, training, operations, and sustainment, and to prepare investment cases for major naval platforms. Transformation of the Navy will prepare the organisation for the introduction of the future fleet, support introducing more uncrewed systems and simulation technologies, and maximise the value of future investments.

Appropriation Changes

	\$m - increase/(decrease)					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31 & outyears
Operating Balance Impact*	-	1.415	2.878	3.323	3.018	1.924
Net Core Crown Debt Impact Only	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
Total	-	1.415	2.878	3.323	3.018	1.924

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)					
	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31 & outyears
Departmental Output Expenses:						
Ministry of Defence Outputs (funded by revenue Crown)	-	1.415	2.878	3.323	3.018	1.924
Total Operating	-	1.415	2.878	3.323	3.018	1.924

Additional Recommendations

- directed** the Ministry of Defence to consider crossover skillsets (where skillsets required for Defence initiatives may have wider application to other sectors and assist in generating economic spillovers) during its staff hiring processes, particularly in this Maritime Fleet Renewal initiative, in the delivery of Defence initiatives funded through Budget 2026;
- noted** that this initiative relates to Initiative 17225 in Vote Defence Force.