

The Treasury

Budget 2026 Information Release

September 2026

This document has been proactively released and is available on:

- The Budget website from September 2026 to May 2027 only at: <https://budget.govt.nz/information-release/2026>, and on
- The Treasury website from later in 2026 at: <https://www.treasury.govt.nz/publications/budgets/budget-2026-information-release>

Information Withheld

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

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

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

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

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

Copyright and Licensing

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

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

Accessibility

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



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 Health (Technical Initiatives)

On 7 May 2026, Cabinet:

Appropriation Administrator: Ministry of Health

- 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 technical 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
17574	Reprioritise Funding for Legal Expenses	-	-	-	-	-
17371	Writing-off Equity Investment in Former Health Crown Entities	17.730	-	-	-	-
Total Operating		17.730	-	-	-	-

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
17608	Initial Funding Transfer between the New Dunedin Hospital Multi-Year Appropriations	(401.579)	401.579	-	-	-
17368	Problem Gambling Memorandum Account Residual Deficit Write-off	0.707	-	-	-	-
Total Capital		(400.872)	401.579	-	-	-

Diana Hawker
Acting Secretary of the Cabinet

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Initial Funding Transfer between the New Dunedin Hospital Multi-Year Appropriations

Description: This initiative transfers initial funding from the existing Multi-Year Appropriation 'New Dunedin Hospital 2021-2026' to the newly established Multi-Year Appropriation 'New Dunedin Hospital 2026-2030'.

Appropriation Changes

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	(401.579)	401.579	-	-	-
No Impact	-	-	-	-	-
Total	(401.579)	401.579	-	-	-

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

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Non-Departmental Capital Expenditure:					
New Dunedin Hospital 2021-2026 (MYA)	(401.579)	-	-	-	-
New Dunedin Hospital 2026-2030 (MYA)	-	401.579	-	-	-
Total Capital	(401.579)	401.579	-	-	-

Additional Recommendations

- agreed** that the Multi-Year Appropriation: 'New Dunedin Hospital 2026-2030' be adjusted by \$401.579 million;
- noted** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: 'New Dunedin Hospital 2026-2030' reflect the change to the indicative annual spending profile;
- agreed** that the Multi-Year Appropriation: 'New Dunedin Hospital 2021-2026' be adjusted by \$(401.579) million;
- noted** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: 'New Dunedin Hospital 2021-2026' reflect the change to the indicative annual spending profile;

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Problem Gambling Memorandum Account Residual Deficit Write-off

Description: This initiative provides a capital injection of \$0.707 million to the Ministry of Health to write off the residual deficit remaining in the Problem Gambling memorandum account, which was closed in 2019.

Appropriation Changes

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	0.707	-	-	-	-
No Impact	-	-	-	-	-
Total	0.707	-	-	-	-

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

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Capital Injections:					
Ministry of Health - Capital Injection	0.707	-	-	-	-
Total Capital	0.707	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Reprioritise Funding for Legal Expenses

Description: This initiative reprioritises funding from the Ministry of Health's baselines to address cost pressures in the non-departmental other expenses *Legal Expenses* appropriation in 2025/26, including additional legal costs arising from the recent High Court decision in the New Zealand College of Midwives v the Attorney-General.

Appropriation Changes

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

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

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Non-Departmental Other Expenses:					
Legal Expenses	1.800	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Stewardship of the New Zealand health system (MCA)					
<i>Departmental Output Expenses:</i>					
Equity, Evidence and Outcomes (funded by revenue Crown)	[36],[38]	-	-	-	-
Policy Advice and Related Services (funded by revenue Crown)		-	-	-	-
Public Health and Population Health Leadership (funded by revenue Crown)		-	-	-	-
Regulatory and Enforcement Services (funded by revenue Crown)		-	-	-	-
Sector Performance and Monitoring (funded by revenue Crown)		-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Stewardship of the New Zealand health system (MCA)	(1.800)	-	-	-	-
Total Operating	-	-	-	-	-

Vote: Health

Appropriation Administrator: Ministry of Health

Title: Writing-off Equity Investment in Former Health Crown Entities

Description: This initiative provides a non-cash operating appropriation of \$17.730 million in 2025/26 to write off fully-impaired Crown equity investments in three former health Crown entities.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Scope
Writing-off Equity Investments in Former Health Crown Entities	Minister of Health	Annual	Non-Departmental Other Expenses	This appropriation is limited to the writing-off of equity investments in three former health Crown entities.

Appropriation Changes

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Balance Impact*	17.730	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	17.730	-	-	-	-

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

	\$m - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Non-Departmental Other Expenses:					
Writing-off Equity Investments in Former Health Crown Entities	17.730	-	-	-	-
Total Operating	17.730	-	-	-	-

Additional Recommendations

- 6 **noted** that the total investment balance of \$17.730 million to be written off includes investments in Residual Health Management Unit (later renamed Crown Health Financing Agency) of \$16.130 million, Health Promotion Agency of \$1.300 million, and shares in Health Benefits Limited of \$0.300 million;
- 7 **noted** that non-cash operating funding is required to write off the investment balance in paragraph 6 above, and that provision of this funding has an Operating Balance impact only;
- 8 **noted** that the Minister of Finance has approved the establishment of the non-departmental other expenses appropriation '*Writing-off Equity Investments in Former Health Crown Entities*'.