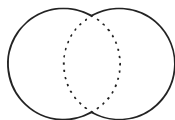


New Zealand

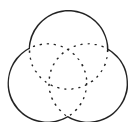
Overview



Transparency:

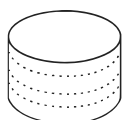
87 /100

(Open Budget Index score)



Public Participation:

55 /100



Budget Oversight:

78 /100

About the survey

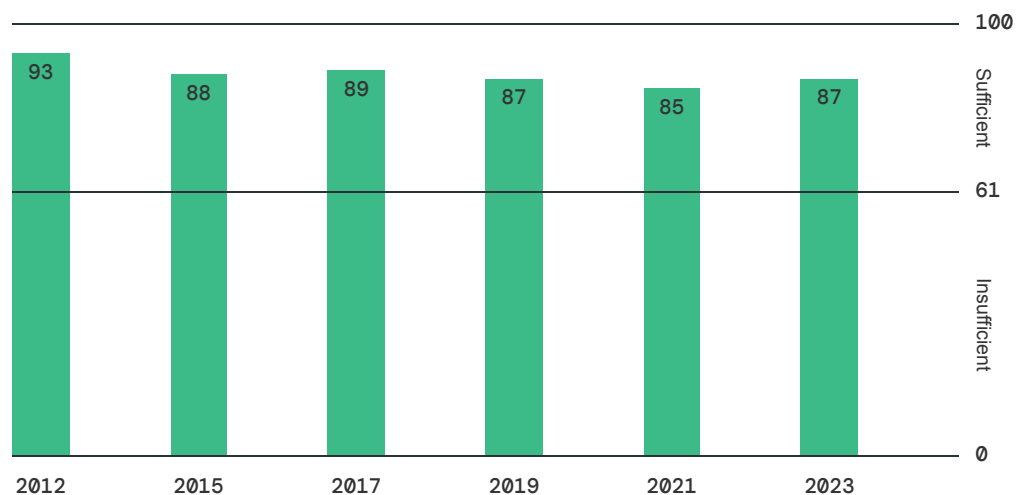
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money is spent on public interests.

The Open Budget Survey (OBS) is the world’s only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions, such as legislatures and national audit offices, in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 9th edition of the OBS covers 125 countries.

Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2023 Global Report, findings for all surveyed countries, and the Data Explorer.

How has the transparency score for New Zealand changed over time?



Public availability of budget documents in New Zealand

KEY	
●	Available to the Public
●	Published Late, or Not Published Online, or Produced for Internal Use Only
⊘	Not Produced

Document	2012	2015	2017	2019	2021	2023
Pre-Budget Statement	●	●	●	●	●	●
Executive's Budget Proposal	●	●	●	●	●	●
Enacted Budget	●	●	●	●	●	●
Citizens Budget	●	●	●	●	⊘	●
In-Year Reports	●	●	●	●	●	●
Mid-Year Review	●	●	●	●	●	●
Year-End Report	●	●	●	●	●	●
Audit Report	●	●	●	●	●	●

How comprehensive is the content of the key budget documents that New Zealand makes available to the public?

KEY	
●	61-100 / 100
●	41-60 / 100
●	1-40 / 100

Key budget document	Document purpose and contents	Fiscal year assessed	Document content score
Pre-Budget Statement	Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt.	2022-23	95
Executive's Budget Proposal	Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation.	2022-23	91
Enacted Budget	The budget that has been approved by the legislature.	2022-23	100
Citizens Budget	A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public.	2022-23	58
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2021-22 & 2022-23	74
Mid-Year Review	A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes.	2022-23	85
Year-End Report	Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals.	2021-22	81
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2021-22	86

New Zealand's transparency score of **87** in the OBS 2023 is near its score in 2021.

What changed in OBS 2023?

New Zealand has increased the availability of budget information by:

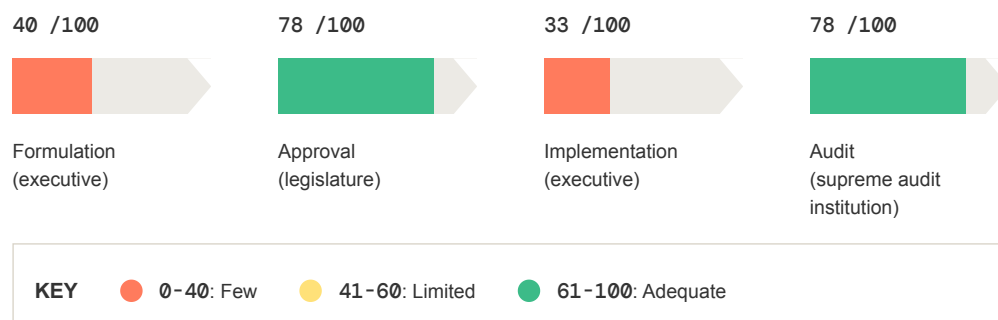
- Publishing the Citizens Budget online.

Recommendations

New Zealand should prioritize the following actions to improve budget transparency:

- Improve the comprehensiveness of the Citizens Budget. Improve the coverage of the Citizen's Budget by downplaying the new initiatives and increasing the focus on macro trends and meso-level shifts. (Macro shifts refer to how the overall mix of current and capital spending, taxes and other revenue is changing and meso shifts refer how the overall mix of current and capital spending, taxes and other revenue has altered)
- Strengthen the scope and quality of data visualizations in budget documents and increase the use of hypertext links to simplify data access and analysis.
- Publish fiscal data as open data starting with the Treasury's monthly CFISnet data available in a linked open data format.
- Include in the Year-End Report differences between forecasts of core macroeconomic indicators and actual outcomes.
- Review the coverage of tax expenditures to increase the coverage of estimates of revenue forgone for tax expenditures in the Tax Expenditure Statement.
- Publish the budget calendar before the budget cycle begins and include designated opportunities for public engagement in that calendar.

Extent of opportunities for public participation in the budget process



Recommendations

New Zealand's Treasury has established policy consultations during budget formulation and e-consultations during budget implementation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Expand mechanisms during budget formulation and implementation to engage any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

New Zealand's Parliament has established public hearings related to the approval of the annual budget and public hearings related to the review of the Audit Report, but should also prioritize the following actions:

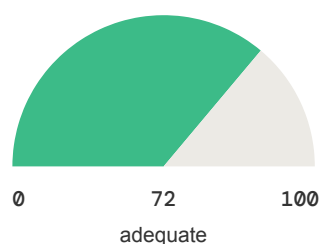
- Allow any member of the public or any civil society organization to testify during its hearings on the Audit Report.

Budget Oversight

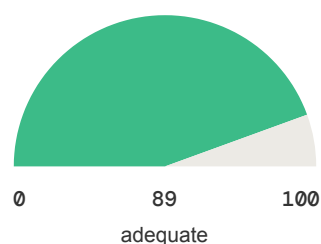
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in New Zealand, together, provide adequate oversight during the budget process, with a composite oversight score of **78** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



KEY ● 0-40: Few ● 41-60: Limited ● 61-100: Adequate

Recommendations

New Zealand's Parliament provides limited oversight during the planning stage of the budget cycle and adequate oversight during the implementation stage. To further improve oversight, the following actions should be prioritized:

- The Executive's Budget Proposal should be submitted to legislators two months before the start of the budget year.
- Proceed with proposals for a Parliamentary Budget Office as contained in the Open Government Partnership (OGP) National Action Plan so the Parliament and the general public have access to independent advice on fiscal data and policy costings.

To strengthen independence and improve audit oversight by the New Zealand Office of the Auditor-General, the following actions are recommended:

- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

New Zealand does not have an independent fiscal institution (IFI). IFIs are increasingly recognized as valuable independent and nonpartisan information providers to the Executive and/or Parliament during the budget process. IBP notes that New Zealand has legislated for statutory independent fiscal function, which provides that economic and financial projections are prepared by the Treasury independently of the Minister (Section 26W of the Public Finance Act 1989).

**These indicators are *not* scored in the Open Budget Survey.*

Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2022 were assessed in the OBS 2023.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
Derek Gill
Consultant

derek.gill@vuw.ac.nz
- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in New Zealand by a representative of the Treasury.