

International Budget Partnership  
**OPEN BUDGET QUESTIONNAIRE**

**NEW ZEALAND**

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International Budget Partnership  
Center on Budget and Policy Priorities  
820 First Street, NE  
Suite 510  
Washington, DC 20002  
[www.internationalbudget.org](http://www.internationalbudget.org)  
[www.openbudgetindex.org](http://www.openbudgetindex.org)

**This questionnaire was completed by:**

**Name:** Murray Petrie  
**Organization:** Director, Transparency International New Zealand  
**Address:** 34 Harbour View Rd, Northland, Wellington 6012,  
New Zealand.  
**Telephone:** 64-4-475-6109  
**E-mail:** mpetrie@ihug.co.nz

**A Note to the Reader:**

Some general background information may be useful to the reader to better understand New Zealand's unique public financial management system, discussed in more detail in the questionnaire.

- The country's political system is considered a Westminster parliamentary system, with a single legislative chamber (that is, it has no upper house of parliament).
- It is a unitary state.
- The fiscal year in New Zealand begins on July 1.
- The central government has adopted the accrual basis of accounting, which is used both for budgeting, and for reporting. For example, the budget appropriated by parliament is on an accrual basis, including depreciation and other non-cash items.

The following individuals kindly assisted in completing the questionnaire:

**Mark Sowden,**  
**Manager,**  
**Fiscal Management and Reporting 1,**  
**Macroeconomic Group,**  
**The Treasury.**

**Wendy Venter,**  
**Assistant Auditor-General - Parliamentary Group,**  
**Office of the Controller and Auditor-General.**

**Fay Paterson,**  
**Senior Parliamentary Officer,**  
**Select Committee Office,**  
**Office of the Clerk of the House.**

# International Budget Partnership OPEN BUDGET QUESTIONNAIRE NEW ZEALAND

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## **Section One: The Availability of Budget Documents**

## Table 1. Budget Year of Documents Used in Completing the Questionnaire

*Please indicate the budget year of the document used to complete the questionnaire. If the document is not available to the public, please state, "Not Available."*

<b>Budget Documents Used in Completing the Questionnaire</b>	
<i>As explained in the guide to the questionnaire, documents from a variety of fiscal years are referred to throughout the questionnaire. Please indicate below for which fiscal year responses to questions relating to each report or experience were based on.</i>	
	Budget Year Used
Pre-Budget Statement	2007 i.e. 1/7/07-30/6/08 (19 December 2006)
Budget Summary	2007 (17 May 2007)
Executive's Budget Proposal	2007 (17 May 2007)
Supporting Budget Documents	2007
Citizens Budget	2007
Enacted Budget	2007
In-Year Reports	2006
Mid-Year Report	2006
Year-End Report	2005
Audit Report	2005

## Table 2. Key Budget Documents Used: Full Titles and Internet Links

*Please provide the full title, date and Internet link for all documents to be cited in Sections 2 & 3.*

*If an Internet link is not available for the document, please indicate one of these three answers: "Not Produced," "Produced but Not Available to the Public," "Publicly Available, but Not on the Internet."*

Budget Document	Full Title, Date, and Internet Link
Pre-Budget Statement	Budget Policy Statement 2007 <a href="http://www.treasury.govt.nz/budget/2007/bps">http://www.treasury.govt.nz/budget/2007/bps</a>
Budget Summary	Executive Summary: Minister's Statement, The Government's Finances at a Glance, Main Spending and Revenue Decisions in Budget 2007 <a href="http://www.treasury.govt.nz/budget/2007/execsum">http://www.treasury.govt.nz/budget/2007/execsum</a>
Executive's Budget Proposal	The Estimates of Appropriations <a href="http://www.treasury.govt.nz/budget/2007/estimates/">http://www.treasury.govt.nz/budget/2007/estimates/</a>
Budget Document One in Support of the Executive's Budget Proposal	The Budget Speech <a href="http://www.treasury.govt.nz/budget/2007/speech">http://www.treasury.govt.nz/budget/2007/speech</a>
Budget Document Two in Support of the Executive's Budget Proposal	The Fiscal Strategy Report (FSR) <a href="http://www.treasury.govt.nz/budget/2007/fsr">http://www.treasury.govt.nz/budget/2007/fsr</a>
Budget Document Three in Support of the Executive's Budget Proposal	Budget Economic and Fiscal Update (BEFU) <a href="http://www.treasury.govt.nz/budget/forecasts/befu2007">http://www.treasury.govt.nz/budget/forecasts/befu2007</a>
Citizens Budget	Three documents can be said to comprise a citizen's budget: 1) The Executive Summary <a href="http://www.treasury.govt.nz/budget/2007/execsum">http://www.treasury.govt.nz/budget/2007/execsum</a> 2) A "Key Facts for Taxpayers" and <a href="http://www.treasury.govt.nz/budget/2007/taxpayers">http://www.treasury.govt.nz/budget/2007/taxpayers</a> 3) A "Tax ready-reckoner" <a href="http://www.treasury.govt.nz/government/revenue/">http://www.treasury.govt.nz/government/revenue/</a>
Enacted Budget	<a href="http://www.treasury.govt.nz/budget/2007/">http://www.treasury.govt.nz/budget/2007/</a>
In-Year Reports	<a href="http://www.treasury.govt.nz/government/financialstatements">http://www.treasury.govt.nz/government/financialstatements</a>

Mid-Year Review	Half Year Economic and Fiscal Update <a href="http://www.treasury.govt.nz/budget/forecasts/hyefu2007">http://www.treasury.govt.nz/budget/forecasts/hyefu2007</a>
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Year-End Report	<a href="http://www.treasury.govt.nz/government/financialstatements/yearend">http://www.treasury.govt.nz/government/financialstatements/yearend</a>
Audit Report	<a href="http://www.oag.govt.nz/central-govt/2005-06/docs/central-govt.pdf">www.oag.govt.nz/central-govt/2005-06/docs/central-govt.pdf</a>
Other Documents	A range of other budget information is available at <a href="http://www.treasury.govt.nz/budget/2007/">http://www.treasury.govt.nz/budget/2007/</a> , including details of budget initiatives, and Treasury documents such as the Long Term Fiscal Model, and spreadsheets with detailed budget data.
Relevant Ministries & Departments	Minister's Budget Documents <a href="http://www.beehive.govt.nz/feature/budget+2007">http://www.beehive.govt.nz/feature/budget+2007</a> Departmental Statements of Intent <a href="http://www.treasury.govt.nz/budget/2007/sois">http://www.treasury.govt.nz/budget/2007/sois</a>

**Table 3. Distribution of Documents Related to the Executive’s Budget Proposal**

<b>DISTRIBUTION OF BUDGET DOCUMENTS</b>						
<i>For the following reports, place “Yes” in the appropriate row below to indicate if the report is:</i>						
	Pre-budget	<b>Executive’s Budget Proposal</b>				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
A. Not produced, even for internal purposes						
B. Produced for internal purposes, but not available to the public						
C. Produced and available to the public, but only on request						
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>						
	Pre-budget	<b>Executive’s Budget</b>				Citizens budget
		Main document	Budget summary*	Supporting Document 1	Supporting Document 2	
1. The release date is known at least one month in advance	No	Yes	Yes	Yes	Yes	Yes
2. Advance notification of release is sent to users, media	Yes	Yes	Yes	Yes	Yes	Yes
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	No	No	No	No	No	No
7. Readily available outside capital and/or big cities <sup>+</sup>	Yes	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	No	No	No
9. News conference is held to discuss release	Yes	Yes	Yes	Yes	Yes	Yes

\*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

<sup>+</sup>Mark “Yes” if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

**Table 4. Distribution of the Enacted Budget and Other Reports**

<b>DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS</b>					
<i>For the following reports, place a "Yes" in the appropriate row below to indicate if the report is:</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes					
B. Produced for internal purposes, but not available to the public					
C. Produced and available to the public, but only on request					
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark "Yes" if yes, "No" if no, or "NA" if Not Available.</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
1. The release date is known at least one month in advance	No	Yes	No	No	No
2. Advance notification of release sent to users, media	No	Yes	Yes	Yes	No
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	Yes	Yes	Yes	Yes	Yes
6. Free print copies available, mass distribution	No	No	No	No	No
7. Readily available outside capital/big cities <sup>+</sup>	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	No	No
9. News conference is held to discuss release	No	No	Yes	Yes	No

<sup>+</sup>Mark "Yes" if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

## Section Two: The Executive's Budget Proposal

*Notes on abbreviations:*

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

*Please mark your answer by placing the appropriate letter in the box to the right of the question. For all answers marked "not applicable/other," please provide a brief explanation indicating either why the answer choices provided are not applicable or why another response would be more appropriate.*

<b>The Executive's Budget Proposal</b>	
<b>Estimates for the Budget Year and Beyond</b>	
<p>1. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> <li>All expenditures are classified by administrative unit.</li> <li>Expenditures are classified by administrative unit, but some small units are not shown separately.</li> <li>Expenditures are classified by administrative unit, but a significant number of units are not shown separately.</li> <li>No expenditures classified by administrative unit are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Estimates of Appropriations (hereafter The Estimates) present expenses by vote, a grouping of one or more appropriations, administered by one department (<a href="http://www.treasury.govt.nz/budget2007/estimates">www.treasury.govt.nz/budget2007/estimates</a>). Expenses are on an accrual basis in accordance with GAAP, reflecting the fact that in New Zealand parliament appropriates funds on an accrual basis. The cash accounting term "expenditure" is not therefore used.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <ul style="list-style-type: none"> <li>a. All expenditures are classified by functional classification, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by function.</li> <li>d. No expenditures classified by function are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements in the Budget Economic and Fiscal Update present expenses by functional classification (p. 162). The classification is broadly compatible with the Classification of the Functions of Government (COFOG), the internationally-recognised functional classification (see the IMF’s Government Finance Statistics Manual 2001, p. 76). There are, however, some inconsistencies. For instance, the category “GSF pension expenses” is not a category in COFOG, and should in principle be apportioned across COFOG functions; and the New Zealand system has no category for environmental protection.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>3. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ul style="list-style-type: none"> <li>a. All expenditures are classified by economic classification, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by economic classification, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by economic classification.</li> <li>d. No expenditures classified by economic classification are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  The Forecast Financial Statements in the Budget Economic and Fiscal Update present expenses by input type (p. 161 and Notes 5-9 on pp.178-179). The classification is not identical to the IMF’s economic classification of expenses, the internationally-recognised economic classification (see the IMF’s Government Finance Statistics Manual 2001, p.63). For instance, Official Development Assistance is included in a category "Social Assistance and Official Development Assistance," rather than in a Grants category, as in GFS. However, the Notes to the Financial Statements show ODA separately, so that it is possible to re-group expenses in line with the GFS definitions. In addition, grants (which in New Zealand are relatively small) are shown as a sub-category of "Other Operating Expenses," rather than as a separate category as in GFS. The economic classification can therefore be described as compatible with international standards.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>4. Does the executive’s budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ul style="list-style-type: none"> <li>a. Program-level data are presented for all expenditures.</li> <li>b. Program-level data are presented for at least two-thirds of, but not all, expenditures.</li> <li>c. Program-level data are presented, but for less than two-thirds of expenditures.</li> <li>d. No program-level data are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Estimates present all expenses for each appropriation type, including output expenses - which are expenses incurred by departments in providing a group of similar goods and services (or outputs). In New Zealand’s output-based system, similarity of goods and services is determined by the nature of the outputs, rather than by similarity of objective or purpose as in a program-based system.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>5. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <p>a. Yes, multi-year estimates of aggregate expenditure are presented.  b. No, multi-year estimates of aggregate expenditure are not presented.  c. Not applicable/other (please comment).</p> <p><u>Citation:</u>  The Fiscal Outlook Chapter of the 2007 Budget Economic and Fiscal Update presents aggregate expenses for three years beyond the budget year. The 2007 Fiscal Strategy Report discusses the long term fiscal outlook, and presents projections of total expenses and core government expenses as a percentage of GDP to the year 2022.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b> Citation should read:  The Fiscal Outlook Chapter of the 2007 Budget Economic and Fiscal Update presents aggregate expenses for three years beyond the budget year. The 2007 Fiscal Strategy Report discusses the long term fiscal outlook, and presents projections of total expenses and core government expenses as a percentage of GDP to the year 2011.</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Researcher Response:</u></b> While the section of the FSR that discusses the short term fiscal outlook only presents data to 2011, the later section on the long term fiscal outlook presents data to 2022.</p>	<p>a</p>
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<p>6. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> <li>a. Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).</li> <li>b. Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.</li> <li>c. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.</li> <li>d. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  The Estimates present details of expenses by administrative unit for the budget year plus the three following years, broken down by type of appropriation (e.g. total output expenses, total social welfare benefit expenses, and total capital expenditure). The detailed breakdown of each appropriation type is provided only for the budget year. The Forecast Financial Statements present details of expenses by functional classification and input type for the budget year plus the three following years.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>7. Does the executive’s budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ul style="list-style-type: none"> <li>a. All sources of tax revenue are identified individually.</li> <li>b. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually.</li> <li>c. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually.</li> <li>d. No sources of tax revenue are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements (Note 1) present a detailed breakdown of forecast total tax revenues (accrued tax owed to the government) and total tax receipts (cash collected by government) by different tax type (pp.176-177).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Accept rating, but ACC levies (a social insurance scheme for victims of accidents) is partly funded by the state but levies are largely off-budget.</p> <p><b><u>Researcher Response:</u></b> ACC levies are not defined as taxes, either by the New Zealand government (which defines them as “other sovereign revenues” and shows them separately within that category in the Forecast Financial Statements), or by the IMF’s Government Finance Statistics Manual 2001, which defines them as social contributions.</p>	a
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<p>8. Does the executive’s budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ul style="list-style-type: none"> <li>a. All sources of non-tax revenue are identified individually.</li> <li>b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually.</li> <li>c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually.</li> <li>d. No sources of non-tax revenues are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements present a breakdown of non-tax revenue by main source type (Notes 1-4 on pp.176-178).</p> <p><u>Comment:</u> On further analysis of the definition of non-tax revenues, Note 1 of the Forecast Financial Statements also contains data on non-tax revenues, so that more than two-thirds of non-tax revenues are identified individually.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In addition to the comments listed, the Estimates of Appropriation B5 Vol. 1 p.xxi, lists Non-tax Revenue by Departmental Vote. The details are listed for each Department, by their own Vote: for instance, Inland Revenue, p. 1062, lists Child Support and Student Loans as sources of Non-tax Revenue. A similar listing is made in each separate department vote.</p>	a
<p>9. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> <li>a. Yes, multi-year estimates of aggregate revenue are presented.</li> <li>b. No, multi-year estimates of aggregate revenue are not presented.</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Fiscal Outlook Chapter of the 2007 Budget Economic and Fiscal Update presents aggregate revenues for three years beyond the budget year.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> <li>a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</li> <li>c. Yes, multi-year estimates are presented, but only for some individual sources of revenue.</li> <li>d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements present multi-year forecasts for tax revenues, tax receipts, and non-tax revenues (pp. 176-177).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ul style="list-style-type: none"> <li>a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget).</li> <li>b. Yes, the data reflect the outstanding debt at the end of the budget year.</li> <li>c. Yes, the data reflect the outstanding debt at the start of the budget year.</li> <li>d. No, data on the outstanding debt are not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The 2007 Budget Economic and Fiscal Update (p.82) presents forecasts of government debt (nominal gross and net) as at 30 June 2007, and as at the end of the budget year (30 June 2008) – and for each of the following three years.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <p>a. Yes, interest payments on the debt are presented.  b. No, interest payments on the debt are not presented.  c. Not applicable/other (please comment).</p> <p><u>Citation:</u>  The Forecast Financial Statements (p.161 and Note 9) present interest expenses for the budget year (and the following three years). The Estimates (p. 613) show debt servicing costs in Vote Finance for 2006/07 (estimated actual) and forecast for 2007/08.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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13. Does the executive's budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?
- Yes, extensive information related to the composition of government debt is presented.
  - Yes, key additional information is presented, but some details are excluded.
  - Yes, some additional information is presented, but it lacks important details.
  - No, additional information related to the composition of government debt is not presented.
  - Not applicable/other (please comment).

Citation:

The Forecast Financial Statements contain a Forecast Statement of Borrowings (p.167), which splits government debt into government-guaranteed and non-guaranteed debt, and provides details of projected cash flows from the government's domestic bond operations, but not information on the maturity profile or interest rates. The Crown Financial Statements (end of year report), and every third monthly financial statement contain details of the debt maturity profile, but this is not included in budget documents.

Comment:

**Researcher's Response to this Question was "c."**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** I hover between "b" and "c." The Financial Statements p. 75-9 provides by currency, debt maturity, interest rates and country. The only reason for hesitation is that it covers all Crown Assets and Liabilities, not just those specifically relating to government debt.

**Researcher Response:** I chose my answer "c" because the question refers to budget documentation, whereas the Financial Statements referred to by the reviewer are ex post financial statements, not ex ante budget documents.

**IBP Comment:** IBP editors chose answer, "c" to maintain consistency with the criteria used for selecting answers across countries.

C

<p>14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ul style="list-style-type: none"> <li>a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly.</li> <li>b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded.</li> <li>c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details.</li> <li>d. No, information related to the macroeconomic forecast is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> See Table 1.1 of the Budget Economic and Fiscal Update.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>15. Does the executive’s budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the impact of different macroeconomic assumptions on the budget is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> See Chapter 3, Risks and Scenarios, of the Budget Economic and Fiscal Update, which contains both alternative macroeconomic scenarios and their impact on the fiscal aggregates (p. 125), and the impact of small changes in macro assumptions on the fiscal aggregates (p. 127).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>16. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the impact of policy proposals on expenditures is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Budget Executive Summary contains a summary of the main spending and revenue decisions in the budget and their estimated fiscal effects (pp. 5-15). See also pp.96-97 of the Budget Economic and Fiscal Update. The Estimates present a breakdown, for each vote, of new budget policy initiatives by appropriation.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the impact of policy proposals on revenues is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Budget Executive Summary contains a summary of the main spending and revenue decisions in the budget and their estimated fiscal effects (pp. 5-15). See also pp. 96-97 of the Budget Economic and Fiscal Update, and p.103 provides information of the effect of tax policy changes on the tax forecasts.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<b>Estimates for Years Prior to the Budget Year</b>	
<p>18. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> <li>All expenditures are classified by administrative unit for BY-1.</li> <li>Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately.</li> <li>Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately.</li> <li>No expenditures classified by administrative unit are presented for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Estimates show expenses by appropriation type for each of the 5 years prior to the budget year, by vote and administrative unit.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>19. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ol style="list-style-type: none"> <li>All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards.</li> <li>All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards.</li> <li>Some, but not all, expenditures are classified by function for BY-1.</li> <li>No expenditures classified by function are presented for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> See the Forecast Financial Statements p.162.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>20. Does the executive’s budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?</p> <ul style="list-style-type: none"> <li>a. All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards.</li> <li>b. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards.</li> <li>c. Some, but not all, expenditures are classified by economic classification for BY-1.</li> <li>d. No expenditures classified by economic classification are presented for BY-1.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> See the Forecast Financial Statements (p.161, and Notes 5-9 on pp. 178-179). The classification is compatible with international standards (see Q.3).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b> A more appropriate response to this question would be “b.” This response seems to be more consistent with citation comment.</p> <p><b><u>Peer Reviewer Two Comment:</u></b></p> <p><b><u>Researcher Response:</u></b> I chose to keep my answer “a” because, given the change I made to the answer to Q.3, the expenditure classification is compatible with international standards. Therefore the inconsistency correctly found by the reviewer in the draft no longer applies.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer, “a” in consistent that the researcher’s explanation.</p>	<p>a</p>
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<p>21. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> <li>Program-level expenditure data are presented for all expenditures for BY-1.</li> <li>Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1.</li> <li>Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1.</li> <li>No program-level expenditure data are presented for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Estimates present details of appropriations for each vote and administrative unit by type of appropriation (e.g. by output expense). See also answer to Q. 4 for description of outputs and comparison to programs.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>22. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> <li>All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure.</li> <li>All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure.</li> <li>Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure.</li> <li>The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Statement of Accounting Policies and Forecast Assumptions, available in a background budget document (at p. 27 of <a href="http://www.treasury.govt.nz/forecasts/befu/2007/pdfs/befu07-add.pdf">http://www.treasury.govt.nz/forecasts/befu/2007/pdfs/befu07-add.pdf</a>), states that the forecasts for 30 June 2007 (the year prior to the budget year) have been prepared using actual data to 28 February 2007 i.e. at least 8 months of actual expenditure.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>23. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate expenditure are presented.  b. No, such prior-year estimates of aggregate expenditure are not presented.  c. Not applicable/other (please comment).</p> <p><u>Citation:</u>  The Estimates contains a summary of Trends showing aggregate government expenses by appropriation type for each year since 2002/03 (p.xiv).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>24. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative).  b. Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs.  c. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs.  d. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all.  e. Not applicable/other (please comment).</p> <p><u>Citation:</u>  The Estimates provide with respect to each administrative unit expenses for each year since 2002/03 by appropriation type (e.g. total expenses for supplying goods and services, for social welfare benefits, for capital expenditure), but the breakdown of total output expenses into different categories of outputs (which would be analogous to program level information) is provided only for year BY-1. Additional historical information on expenses by functional category and by broad expenditure grouping (e.g. primary, secondary, tertiary education) are presented on the Treasury’s web site forming part of the Budget Economic and Fiscal Update.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>25. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ul style="list-style-type: none"> <li>a. Two years prior to the budget year (BY-2).</li> <li>b. Three years prior to the budget year (BY-3).</li> <li>c. Before BY-3.</li> <li>d. No actual data for all expenditures are presented in the budget or supporting budget documentation.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> All tables throughout the Budget and supporting documents indicate that data for the 2005/06 year (BY-2) are actual results, as opposed to estimated actual or forecast results for 2006/07.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?</p> <ul style="list-style-type: none"> <li>a. Yes, prior-year data are always adjusted to be comparable to the budget year data.</li> <li>b. Yes, in most cases, prior-year data are adjusted to be comparable.</li> <li>c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist.</li> <li>d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The government adopted International Financial Reporting Standards (IFRS) for the first time in Budget 2007. The BEFU (pp. 90-91) contains an explanation of the change in accounting standards, why the change was made, and the estimated fiscal impacts in 2007/08 on net worth, the operating balance, and residual cash. The two main elements contributing to the fiscal impacts were described in some detail. More detailed information is provided in Chapter 7 of the BEFU. In addition, each Vote in which there has been a change from the previous budget in the structure of appropriations or of revenues and receipts, contains a Statement of Reconciliation.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>27. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> <li>All tax revenues are identified individually for BY-1.</li> <li>Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually.</li> <li>Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually.</li> <li>No tax revenues are identified individually for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Forecast Financial Statements (Note 1, pp. 176-177) present actual tax revenues and tax receipts by tax type for 2006 (BY-1).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>28. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> <li>All non-tax revenues are identified individually for BY-1.</li> <li>Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually.</li> <li>Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually.</li> <li>No non-tax revenues are identified individually for BY-1.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> See the Forecast Financial Statements, p. 178, Notes 1-4.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> I agree with the rating of "a," based on my comments re Q8, and references listed there do give BY-1 data in total and by department vote and source. Information listed above is an aggregate, not detailed by source.</p> <p><b><u>Researcher Response:</u></b> I chose my answer because the information in the cited notes to the Financial Statements are not in aggregate, they show non-tax revenues by source as specified in the question.</p>	a

<p>29. In the executive’s budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> <li>All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections.</li> <li>All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections.</li> <li>Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections.</li> <li>The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Statement of Accounting Policies and Forecast Assumptions, available in a background budget document (at p. 28 of <a href="http://www.treasury.govt.nz/budget/forecasts/befu2007/befu07-10.pdf">http://www.treasury.govt.nz/budget/forecasts/befu2007/befu07-10.pdf</a> states that the forecasts for 30 June 2007 (the year prior to the budget year) have been prepared using actual data to 28 February 2007 i.e. at least 8 months of actual revenues.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>30. In the executive’s budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <ol style="list-style-type: none"> <li>Yes, such prior-year estimates of aggregate revenue are presented.</li> <li>No, such prior-year estimates of aggregate revenue are not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> In the Estimates of Appropriations, B5 Vol. 1, p. xiv, Summary of Trends, there is data for Total Tax Revenue, Non-Tax Revenue and Capital Receipts for years 2002/3 to 2006/7, as well as Forecasts through to 2010.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>31. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ul style="list-style-type: none"> <li>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax).</li> <li>b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue.</li> <li>c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue.</li> <li>d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> No revenue numbers are provided for BY-2.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	d
<p>32. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ul style="list-style-type: none"> <li>a. Two years prior to the budget year (BY-2).</li> <li>b. Three years prior to the budget year (BY-3).</li> <li>c. Before BY-3.</li> <li>d. No actual data for all revenues are presented in the budget or supporting budget documentation.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> As for Q.25.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>33. Does the executive’s budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year.</li> <li>b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded.</li> <li>c. Yes, but only information on the level of debt is presented.</li> <li>d. No, information related to the government debt for BY-1 is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The levels of gross sovereign-issued debt and net debt are presented for the year preceding the budget year, although data on the composition of debt is not. Details are also presented of total Crown debt (both government guaranteed and non-guaranteed debt). See p.89, and pp.112-113 of the Budget Economic and Fiscal Update.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>34. In the executive’s budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <ul style="list-style-type: none"> <li>a. Two years prior to the budget year (BY-2).</li> <li>b. Three years prior to the budget year (BY-3).</li> <li>c. Before BY-3.</li> <li>d. No actual data for government debt are presented in the budget or supporting budget documentation.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> As for Q.25.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<b>Comprehensiveness</b>	
<p>35. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on extra-budgetary funds is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> While the concept of EBF does not exist in New Zealand (the budget and financial statements present information on the consolidated public sector), and internationally the definition of EBF is contested, the New Zealand Superannuation Fund (NZSF, pre-funding of old age pensions), the Government Superannuation Fund (GSF, paying liabilities for civil service pensions), the Earthquake and War Damages Commission (EQC), and the Accident Compensation Fund (ACC) might be regarded by some as extra-budgetary funds. The Fiscal Strategy Report discusses the NZSF and presents the contributions to the Fund. The Forecast Financial Statements present information on financial asset portfolios (NZSF, ACC, EQC) in Note 12; on the valuation of the unfunded liabilities of the GSF and ACC in Note 18; on insurance liabilities (ACC and EQC) in Note 19; and on the NZSF (p. 166).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>36. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on intergovernmental transfers is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> New Zealand is a unitary state, and there are no central government block grants or transfers to sub-national government (the latter having their own dedicated tax base). Central government does provide loans to sub-national government (e.g. for urban transport projects, for local housing) and these are shown in the Estimates (Vote Finance).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	e
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<p>37. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on transfers to public corporations is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> In general, there are no “transfers” to public corporations. Policy is for State-owned enterprises to operate on a fully commercial basis, paying dividends to the government. The only appropriation for payment to an SOE in the 2007 Budget is in Vote Justice to fund the maintenance by New Zealand Post of the Parliamentary electoral rolls, details of which are set out in the Estimates (pp. 751-753).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> The Accident Compensation Commission represents a slight anomaly here, not sufficient to alter the rating. Most of its funding is off-budget, coming from ear-marked levies, but there is a contribution from central Government that is fully recorded in Vote ACC. This contribution is recognized in the government accounts.</p> <p><b><u>Researcher Response:</u></b> I chose my answer because I interpreted the term “public corporations” to refer to commercial enterprises, whereas the ACC is a provider of compulsory accident insurance, and was covered in the response to Q.35.</p>	e
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<p>38. Does the executive's budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on quasi-fiscal activities is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Neither the central bank nor public enterprises are required to conduct QFAs in New Zealand.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	e
<p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements (Note 12 and p.166) contain details of financial assets by type of asset, and by portfolio (see Q.35). Financial assets are valued according to type, under New Zealand IAS 39; with most financial assets being recorded at fair value. (Accounting Policy and Forecast Assumptions page 33 - <a href="http://www.treasury.govt.nz/budget/forecasts/befu2007/befu07-10.pdf">http://www.treasury.govt.nz/budget/forecasts/befu2007/befu07-10.pdf</a>)</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, and (where possible) an estimate of their market value.</li> <li>b. Yes, information is presented, highlighting key information, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on non-financial assets is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Forecast Financial Statements contain detailed aggregate information on non-financial assets of government (p. 165 and Note 15). The Statements of Intent of each department, tabled in Parliament at the time of Budget presentation, contain a full balance sheet, with details of non-financial assets by category. In line with New Zealand IFAS most assets are recorded at fair value.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on expenditure arrears is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> There are no expenditure arrears - in the sense of overdue obligations not recorded as government expenditure – as the government budgets and accounts on an accrual basis.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	e

<p>42. Does the executive's budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key contingent liabilities, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on contingent liabilities is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> See pp. 154-156 of the Budget Economic and Fiscal Update (BEFU). Additional detailed information is provided on each contingent liability on the Treasury web site at <a href="http://www.treasury.govt.nz/forecasts/befu/2007/pdfs/befu07-add.pdf">http://www.treasury.govt.nz/forecasts/befu/2007/pdfs/befu07-add.pdf</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting key future liabilities, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on future liabilities is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Forecast Statement of Financial Position presents a valuation of the unfunded liabilities of the civil service pension scheme (the Government Superannuation Fund), and the Accident Compensation Scheme (p.165 of BEFU). More detailed discussion of each of these is presented respectively in Notes 18 and 19 of the Forecast Financial Statements (p.182-183).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ul style="list-style-type: none"> <li>a. All sources of donor assistance are identified individually.</li> <li>b. At least two-thirds of, but not all, sources of donor assistance, are identified individually.</li> <li>c. Less than two-thirds of sources of donor assistance are identified individually.</li> <li>d. No sources of donor assistance are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> New Zealand is not a recipient of official development assistance or other donor assistance.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>e</p>
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45. Does the executive's budget or any supporting budget documentation present information for at least the budget year on tax expenditures?

- a. Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting key tax expenditures, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on tax expenditures is not presented.
- e. Not applicable/other (please comment).

Citation:

By international standards, there are few tax expenditures in New Zealand, with the tax system in general not used to provide industry assistance. Social assistance to families delivered through the tax system is reported as government expenditure - see the Estimates of Appropriations for Vote Revenue (B5, Vol.II, pp. 1047-1054), which provides a brief explanation of welfare transfers provided through the tax system, with estimated fiscal impacts. However, there are still some unreported tax expenditures (e.g. a charitable donations rebate, and special provisions for the production of movies) As a result of a 2004 policy change requiring disclosure, information on all new material tax policy changes introduced in the annual Budget, that result either in increased or reduced revenues, is presented in each BEFU (see p.103 of the 2007 BEFU). Therefore, there is full transparency of tax expenditures in the first year of their introduction; but no requirement for further reporting of them in subsequent years. There is no information published anywhere on the pre-existing overall stock of tax expenditures.

b

Comment:

**Researcher's Response to this Question was "b."**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "a." The justification for this lies in the Estimates of Appropriation, esp. B5, Vol. II p. 1050, Inland Revenue that specifically has the Kiwi Saver Tax Credit and R&D Tax Credit included in the Appropriation, with forward estimates as well.

**Researcher Response:** I chose to keep my answer "b" because some important details are excluded from tax expenditure reporting, notably no reporting at any time of the total stock of tax expenditures. This is a significant omission, and therefore an answer of "a" is not justified.

**IBP Comment:** IBP editors chose answer, "b" to maintain consistency with the criteria used for selecting answers across countries.

<p>46. Does the executive’s budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> <li>a. All earmarked revenues are identified individually.</li> <li>b. At least two-thirds of, but not all, earmarked revenues are identified individually.</li> <li>c. Less than two-thirds of earmarked revenues are identified individually.</li> <li>d. No earmarked revenues are identified individually.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  Note 1 to the Forecast Financial Statements presents other sovereign revenues by main source, but an “other levies” category not individually identified accounted for nearly 20% of other levies in 2007 (701m/3691).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
<p>47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</p> <ul style="list-style-type: none"> <li>a. One percent or less of expenditure is dedicated to secret items.</li> <li>b. Three percent or less, but more than one percent, of expenditure is dedicated to secret items.</li> <li>c. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items.</li> <li>d. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  There are no secret expenses. The only departure from normal financial management and budgeting relates to the budget of the New Zealand Security Intelligence Service and the Government Communications Security Bureau, which are bulk funded by a separate appropriation type that combines operating and capital expenses. Combined expenditure is well under 1 per cent of total government expenditure.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>

<b>The Budget Narrative &amp; Performance Monitoring</b>	
<p>48. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the link between the budget and the government’s stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on the link between the budget and the government’s stated policy goals is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  The Estimates present a discussion (with respect to each administrative unit) of the contribution that the department’s outputs make to the government’s policy goals. A more detailed presentation of departmental strategies, linking outputs to community outcomes, is presented in each department’s Statement of Intent tabled in Parliament at the same time as the budget – see <a href="http://www.treasury.govt.nz/budget2007/soi/">http://www.treasury.govt.nz/budget2007/soi/</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>49. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on the link between the budget and the government's stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, information is presented, highlighting the major policy goals, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on the link between the budget and the government's stated policy goals over a multi-year period is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Fiscal Strategy Report (<a href="http://www.treasury.govt.nz/budget2007/fiscalstrategy/">http://www.treasury.govt.nz/budget2007/fiscalstrategy/</a>) contains a discussion with quantitative estimates of the government's long-term fiscal policy objectives and progress in achieving them. It also presents the government's short-term (3 or more years) fiscal policy intentions and a discussion of the consistency of the short-term intentions with long-term objectives.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>50. Does the executive's budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ol style="list-style-type: none"> <li>Non-financial data are presented for all programs.</li> <li>Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures.</li> <li>Non-financial data are presented for programs representing less than two-thirds of expenditure.</li> <li>No non-financial data are presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The Estimates present non-financial data (quantity and quality) for many output expenses. The Statement of Intent for each department provides comprehensive non-financial data with respect to all output expenses.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ul style="list-style-type: none"> <li>a. The non-financial data are very useful for assessing program performance.</li> <li>b. The non-financial data are mostly useful for assessing program performance.</li> <li>c. The non-financial data are somewhat useful for assessing program performance.</li> <li>d. No non-financial data are provided or they are not useful for assessing program performance.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The non-financial data relating to the quality and quantity of outputs are very useful for assessing how an expenditure programme is performing – in terms of the characteristics of the outputs themselves, but not in terms of the impacts of the outputs on the achievement of policy goals (in New Zealand language, the outcomes of expenditure programmes). This means the overall rating for this question is a b (a combination of an “a” for non-financial data on outputs, and a “c” for non-financial data on outcomes (see Q. 53 below).</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ul style="list-style-type: none"> <li>a. Performance indicators are presented for all programs.</li> <li>b. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures.</li> <li>c. Performance indicators are presented for programs representing less than two-thirds of expenditures.</li> <li>d. No performance indicators are presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Performance indicators are presented for all output expenses in each department’s Statement of Intent.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ul style="list-style-type: none"> <li>a. All performance indicators are well designed.</li> <li>b. Most performance indicators are well designed.</li> <li>c. Some performance indicators are well designed, but most are not.</li> <li>d. No programs have performance indicators, or they are not well designed.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  Measuring progress towards policy goals is inherently extremely difficult in many areas of government activity under any public sector management system. While considerable progress has been made in recent years in presenting information on the performance of outputs in achieving desired impacts on community outcomes, this was from a very low base in a system that had focused primarily on performance in terms of the characteristics of the goods and services themselves. A consensus of independent reviews of the public management system concluded that improved information was required on outcomes – see for instance Review of Evidence on Broad Outcome of Public Sector Management Regime, New Zealand Treasury Working Paper 01/06, 2001, downloadable from <a href="http://www.treasury.govt.nz">www.treasury.govt.nz</a> See also the Controller and Auditor General’s report, Reporting Public Sector Performance, June 2001. An independent review of performance in this area noted improvements by some departments, but concluded that significant scope remained for further improvements. See Departmental Uptake of the Managing for Outcomes Initiative, at <a href="http://www.ssc.govt.nz/display/document.asp?NavID=208&amp;DocID=3364">www.ssc.govt.nz/display/document.asp?NavID=208&amp;DocID=3364</a> There is a big difference between a “b” and a “c” in this answer, and New Zealand falls somewhere between the two grades. However, in an international comparative exercise, a “c” would be too harsh.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> I accept “b” for both the reasons above, and because only some departments have good performance indicators, partly because the outputs of some departments are more nebulous.</p>	<p>b</p>
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<p>54. Are performance indicators used in conjunction with performance targets presented in the executive’s budget or any supporting budget documentation?</p> <ul style="list-style-type: none"><li>a. All performance indicators are used in conjunction with performance targets.</li><li>b. Most performance indicators are used in conjunction with performance targets.</li><li>c. Some performance indicators are used in conjunction with performance targets, but most are not.</li><li>d. No performance indicators are used in conjunction with performance targets.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Most, but not all output expenses have performance targets specified for the quality and/or quantity, and cost of outputs.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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<p>55. Does the executive’s budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country’s most impoverished populations?</p> <p>a. Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information on policies intended to alleviate poverty is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The 2007 Budget contained limited information on poverty alleviation policies. However, Departmental Statements of Intent presented as part of the annual budget documents continue to contain extensive information on policies and initiatives targeted at assisting the socially disadvantaged, including those experiencing multiple and persistent disadvantage in areas such as social welfare, health, and education. This information does not in general, however, contain much on the impacts of these policies on poverty alleviation. Prior to the 2007 Budget, recent Budgets had provided large increases in spending on low and middle income families with children, and this was an important element of the main budget documents at the time.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> A more appropriate response to this question would be “b.” The grade is a judgment call, but as somebody working in this area for many years, I want more detail. I fully accept the comment above, but only in the 2006 Budget has there been any real attempt to state what the impact will be on poverty alleviation. There are other government reports and evaluations that do look at poverty alleviation, and the organizing theme of Families Young and Old ensures that each department has to consider the impact on all families, including those at the lower end of the income scale. Expected outcomes are not listed in the Budgetary process.</p> <p><b><u>Researcher Response:</u></b> I chose to keep my answer “a” because the question refers to information on policies intended to alleviate poverty; the question does not refer to information on the impact of those policies on poverty (although option “b” only does refer to impact).</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer, “a.” The question is asking to focus on the policies rather than the impact.</p>	a
<b>Additional Key Information for Budget Analysis &amp; Monitoring</b>	
<p><i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive’s budget proposal or supporting documents, but may be found in other documents issued by the executive.</i></p>	

<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources, including commercial projects involving the private sector?</p> <p>a. Yes, extensive information on tax rates, fees, royalties and other revenues sources is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded.</p> <p>c. Yes, some information is presented, but it lacks important details.</p> <p>d. No, information is not presented.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The web site of the Inland Revenue Department contains information in various locations on tax rates and other information with respect to the different taxes collected by the Department (see <a href="http://www.ird.govt.nz">www.ird.govt.nz</a>). IRD also publishes a Taxes and Duties Guide (<a href="http://www.ird.govt.nz/resources/file/eb47a843d433348/ir295-2006.pdf">http://www.ird.govt.nz/resources/file/eb47a843d433348/ir295-2006.pdf</a>). The New Zealand Customs Tariff is available on the web site of the Customs Department at <a href="http://www.customs.govt.nz/library/Working+Tariff+of+New+Zealand/default.htm">www.customs.govt.nz/library/Working+Tariff+of+New+Zealand/default.htm</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ol style="list-style-type: none"> <li>Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded.</li> <li>Yes, some analysis is presented, but it lacks important details.</li> <li>No analysis on the distribution of the tax burden is presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> Information is published on the proportion of individuals at different broad income bands, and the shares of total individual income tax paid by individuals in those bands. However, this does not provide information by household, nor does it provide information on taxes other than income tax. A guide shows the estimated revenue changes likely to occur from small changes to existing tax rates and thresholds (<a href="http://www.treasury.govt.nz/tax/revenueestimates/www.readyreckoner/">http://www.treasury.govt.nz/tax/revenueestimates/www.readyreckoner/</a>). There is little published information available on the estimated incidence of the overall tax burden – although a Treasury Working Paper by Johnson and Crawford (<a href="http://www.treasury.govt.nz/workingpapers/2004/04-20.asp">w.treasury.govt.nz/workingpapers/2004/04-20.asp</a>) has looked at the overall incidence of tax (and receipt of benefits) for 1997/98, and compared that with a 1987/88 study.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	c
<p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ol style="list-style-type: none"> <li>Yes, extensive information on conditions associated with IFI assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.</li> <li>Yes, information is presented, but some details are excluded.</li> <li>Yes, some information is presented, but it lacks important details.</li> <li>No, information on conditions associated with IFI assistance is not presented.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> New Zealand has not received assistance from any IFI for many years.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	e

<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on conditions associated with donor country assistance is presented, including a narrative discussion and any quantitative targets related to both macro-economic conditionality and project-specific conditionality.</li> <li>b. Yes, information is presented, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information on conditions associated with donor country assistance is not presented.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> New Zealand does not receive donor assistance.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	e
<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ul style="list-style-type: none"> <li>a. Yes, it provides a summary that is very informative.</li> <li>b. Yes, it provides a summary that is somewhat informative.</li> <li>c. Yes, but the summary is not very informative.</li> <li>d. No, it does not provide a summary.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> An Executive Summary is provided that sets out the key messages in the Budget Speech, provides an overview of major Budget decisions, and the economic and fiscal forecasts – <a href="http://www.treasury.govt.nz/budget2007/summary/">http://www.treasury.govt.nz/budget2007/summary/</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>61. Does the executive publish a “citizens budget” or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <p>a. Yes, it publishes a citizens budget that is very informative.  b. Yes, it publishes a citizens budget that is somewhat informative.  c. Yes, but the citizens budget is not very informative.  d. No, it does not publish a citizens budget.  e. Not applicable/other (please comment).</p> <p><u>Citation:</u>  In addition to the Budget Executive Summary <a href="http://www.treasury.govt.nz/budget/2007/execsum">http://www.treasury.govt.nz/budget/2007/execsum</a>, the Key Facts for Taxpayers card is a summary of tax, expenditure and income data from the Budget, released at the same time as the Budget (<a href="http://www.treasury.govt.nz/budget/2007/taxpayers/">http://www.treasury.govt.nz/budget/2007/taxpayers/</a>). A hard copy of the Key Facts is included in the Budget Media Kit provided to journalists on budget day. As non-technical explanations of what is in the budget, intended for use by the media in reporting to the general public, these two documents can be construed as fulfilling some of the functions of a citizen’s guide, although they are not in a single stand-alone document. Nor does the Executive Summary discuss the budget in the context of the government's medium term fiscal policy objectives (aside from a brief reference in the Minister's Statement), and there is no reference to fiscal risks.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <p>a. Yes, thorough definitions of budget terms are provided.  b. Yes, definitions are provided, but some details are excluded.  c. Yes, some definitions are provided, but it lacks important details.  d. No, definitions are not provided.  e. Not applicable/other (please comment).</p> <p><u>Citation:</u>  There is a glossary in both the Budget and Half Year Economic and Fiscal Updates. There is also a tax glossary at <a href="http://www.treasury.govt.nz/tax/glossary">www.treasury.govt.nz/tax/glossary</a>.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>63. Do citizens have the right <i>in law</i> to access government information, including budget information?</p> <ul style="list-style-type: none"> <li>a. Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information.</li> <li>b. Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information.</li> <li>c. Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information.</li> <li>d. No, the right to access government information has not been codified into law, or this right does not include access to budget information.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  The Official Information Act (OIA) creates a right of access to official information except in limited specified circumstances. Access is broad, including to Cabinet papers and to budget-related information held by any public entity. Refusals or delays in releasing information can be appealed to independent Ombudsmen. Since 2005, in anticipation of OIA requests, the Treasury has posted a range of budget-related background papers, including Cabinet Papers and Minutes (<a href="http://www.treasury.govt.nz/release/budget2007/default.asp">www.treasury.govt.nz/release/budget2007/default.asp</a>).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>64. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?</p> <ul style="list-style-type: none"> <li>a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence.</li> <li>b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</li> <li>c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures.</li> <li>d. In practice, no highly disaggregated expenditure information is available.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> See answer to Q.63.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> One could also add the Fiscal Responsibility Act, now merged into the Public Finance Act, which enshrines in Law the release of Budget and Government Financial information.</p>	<p>a</p>
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<p>65. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it from a ministry or agency?</p> <ul style="list-style-type: none"> <li>a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.</li> <li>b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.</li> <li>c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.</li> <li>d. In practice, no highly disaggregated non-financial expenditure information is available.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> See answer to Q.63.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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## **Section Three: The Budget Process**

<b>The Budget Process</b>	
<b>Executive's Formulation of the Budget</b>	
<p>66. How far in advance of the release of the budget is the day of its release known?</p> <ol style="list-style-type: none"> <li>The release date is set in permanent law.</li> <li>The executive announces the release date at least two months in advance.</li> <li>The executive announces the release date less than two months but more than two weeks in advance.</li> <li>The executive announces the release date two weeks or less before the release, or makes no announcement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> Press release available at <a href="http://www.beehive.govt.nz/ViewDocument.aspx?DocumentID=28377">www.beehive.govt.nz/ViewDocument.aspx?DocumentID=28377</a></p> <p><u>Comment:</u> The date of the 2007 Budget, of 17 May, was announced on 14 February 2007.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>67. Does the executive release to the public its timetable for preparation of the executive's budget proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the ministry of finance or what ever central government agency is in charge of coordinating the budget's formulation)?</p> <ol style="list-style-type: none"> <li>Yes, a detailed timetable is released to the public.</li> <li>Yes, a timetable is released, but some details are excluded.</li> <li>Yes, a timetable is released, but it lacks important details.</li> <li>No, a timetable is not issued to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> The Executive's internal timetable for preparing the budget is not released publicly.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	d

<p>68. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ul style="list-style-type: none"> <li>a. The executive adheres to the dates in its timetable.</li> <li>b. The executive adheres to most of the key dates in its timetable.</li> <li>c. The executive has difficulty adhering to most of the dates in its timetable.</li> <li>d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The Executive’s internal timetable for preparing the budget is not released publicly. However, while small variations may occur with respect to the government’s internal timetable for budget preparation, the executive does adhere to its publicly-announced timetable for release of the pre-budget statement and the annual Budget.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>d</p>
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<p>69. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> <li>a. Yes, the executive holds extensive consultations with a wide range of legislators.</li> <li>b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded.</li> <li>c. Yes, the executive holds very limited consultations, involving only a few members of the legislature.</li> <li>d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  In New Zealand’s Westminster system of government, members of the Cabinet are all Members of Parliament. The government tables a Budget Policy Statement (BPS) in Parliament in advance of the annual Budget, and this is discussed in the Finance and Expenditure Committee of Parliament (FEC), a committee that contains cross-party representation. The Minister of Finance appears before the FEC to answer questions on the BPS, and the FEC’s report to Parliament on its deliberations is publicly available (<a href="http://www.parliament.nz/en-New Zealand/SC/Reports/e/e/d/eed79836677147cfafcdcf986e8ff240.htm">http://www.parliament.nz/en-New Zealand/SC/Reports/e/e/d/eed79836677147cfafcdcf986e8ff240.htm</a>)  The next general parliamentary debate is then devoted to a two-hour debate on the BPS. Comments on the BPS are taken into consideration by the executive in finalizing the subsequent budget proposal (see A Guide to the Public Finance Act, p. 77).</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>70. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> <li>a. Yes, the executive holds extensive consultations with a wide range of constituencies.</li> <li>b. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded.</li> <li>c. Yes, the executive holds very limited consultations, involving only a few constituencies.</li> <li>d. No, the executive does not typically consult with the public as part of the budget preparation process.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  The FEC advertises to solicit submissions from the public on the executive’s Budget Policy Statement (BPS). Around 10-20 submissions have been received in recent years, mainly from national business and other civil society organizations. While the consultations are not extensive, no constituencies are excluded - the invitation to comment on the BPS is publicly disseminated and open to all. One organization – The New Zealand Business Roundtable – has complained about the lack of dialogue over budget priorities, and suggested that the FEC should be required to respond in writing to submissions on the BPS. See “Restraining Leviathan: A Review of the Fiscal Responsibility Act 1994,” by Bryce Wilkinson, 2004, p.69, available at <a href="http://www.nzbr.org.nz/documents/publications/publications-2004/restraining_leviathan.pdf">http://www.nzbr.org.nz/documents/publications/publications-2004/restraining_leviathan.pdf</a> The government also consults in the development of tax policies, see <a href="http://www.treasury.govt.nz/tax/default.asp#policy">http://www.treasury.govt.nz/tax/default.asp#policy</a></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>71. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> <li>The executive releases a pre-budget statement at least four months in advance of the start of the budget year.</li> <li>The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year.</li> <li>The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year.</li> <li>The executive does not release a pre-budget statement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> By law, the BPS must be tabled in Parliament no later than 31 March each year. The 2007 BPS was released on 19 December 2006. The BPS for each of the previous three years was also released in December.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>72. Does the pre-budget statement describe the government's macroeconomic and fiscal framework?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the government's fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> See <a href="http://www.treasury.govt.nz/budgetpolicy/2007/">www.treasury.govt.nz/budgetpolicy/2007/</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>73. Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?</p> <p>a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates.</p> <p>b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded.</p> <p>c. Yes, some explanation is presented, but it lacks important details.</p> <p>d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> See <a href="http://www.treasury.govt.nz/budgetpolicy/2007/">www.treasury.govt.nz/budgetpolicy/2007/</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<b>Legislative Approval of the Budget</b>	
<p>74. How far in advance of the start of the budget year does the legislature receive the budget?</p> <p>a. The legislature receives the budget at least three months before the start of the budget year.</p> <p>b. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year.</p> <p>c. The legislature receives the budget less than six weeks before the start of the budget year.</p> <p>d. The legislature does not receive the budget before the start of the budget year.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The 2007 Budget was tabled in Parliament on 17 May 2007. For context, the 2006 Budget was tabled on 18 May 2006, and the 2005 budget was tabled on 19 May 2005. The budget year starts on 1 July.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>75. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?</p> <ul style="list-style-type: none"><li>a. Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies.</li><li>b. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies.</li><li>c. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard.</li><li>d. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The Budget Economic and Fiscal Strategy Report and the Budget Economic and Fiscal Update are referred to the FEC for examination, as are the Half Year Economic and Fiscal Update and the Statement of Long Term Fiscal Position. The Minister of Finance appears before the Committee in public sessions, but no public submissions are sought.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>C</p>
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<p>76. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ol style="list-style-type: none"> <li>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard.</li> <li>Yes, a limited number of hearings are held in which testimony from the executive branch is heard.</li> <li>No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> Select Committees of Parliament consider the Estimates and Statements of Intent of individual government departments. Some departments are considered on a pro forma basis, and their appropriation endorsed to Parliament. Other departments are examined in some detail.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>77. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?</p> <ol style="list-style-type: none"> <li>Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard.</li> <li>Yes, hearings are held, covering key administrative units, in which testimony from the public is heard.</li> <li>Yes, a limited number of hearings are held in which testimony from the public is heard.</li> <li>No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> Submissions are not taken from the public during the consideration by Select Committees of the individual budgets of government departments (although the hearings are held in public).</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	d

<p>78. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> <li>a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings.</li> <li>b. Yes, the committees release reports, but some details are excluded.</li> <li>c. Yes, the committees release reports, but they are not very informative.</li> <li>d. No, the committees do not release reports or do not hold public hearings.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  Each Select Committee reports back to Parliament on its consideration of the Estimates of each department. The reports are of varying degrees of detail but are generally informative – see <a href="http://www.parliament.nz/en-NZ/SC/Reports/Default.htm?search=522715794">http://www.parliament.nz/en-NZ/SC/Reports/Default.htm?search=522715794</a>. While not all written testimony is incorporated in these reports, a list of documents considered is appended, and these documents are available on request.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> In a quick review of the Reports, some are full and others just state ‘note the contents of the departmental budget’. Willing to go with “b” but for some departments/select committees “c” would be more apt.</p>	<p>b</p>
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<p>79. Is the legislature (or the appropriate legislative committee or members of the legislature) given full information for the budget year on the spending of all secret items relating to, for instance, national security and military intelligence?</p> <p>a. Yes, the appropriate legislative committee or members of the legislature is provided extensive information on all spending on secret items, which includes detailed, line item descriptions of all expenditures.</p> <p>b. No, the legislature is provided information on spending on secret items, but some details are excluded, or some categories are presented in an aggregated manner, or the legislature is provided no information on secret items.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u>  The Intelligence and Security Committee of Parliament is empowered during each Parliamentary term to examine the Estimates of the security agencies (the New Zealand Security Intelligence Service and the Government Communications Security Bureau). Source: Sessional And Other Orders Of Continuing Effect – see <a href="http://www.parliament.nz/en-NZ/PB/Reference/Orders/3/3/9/00HOOOCPBReferenceOrders1-Sessional-and-other-orders-of-continuing.htm">http://www.parliament.nz/en-NZ/PB/Reference/Orders/3/3/9/00HOOOCPBReferenceOrders1-Sessional-and-other-orders-of-continuing.htm</a> While the publicly available information on the budgets of the security agencies is at a highly aggregated level, the Office of the Auditor-General advises that information provided to the Committee that reviews these agencies' Estimates is much more extensive, and of the same nature as the information provided to Select Committees when they review a regular departmental Vote. The Committee's report on its review of the security agencies is publicly available, and is reproduced in compendia of reports of Committee Scrutiny on the Estimates and Financial Reviews.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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<p>80. Does the legislature have authority <i>in law</i> to amend the budget presented by the executive?</p> <p>a. Yes, the legislature has unlimited authority <i>in law</i> to amend the budget.</p> <p>b. Yes, the legislature has authority <i>in law</i> to amend the budget, with some limitations.</p> <p>c. Yes, the legislature has authority <i>in law</i> to amend the budget, but its authority is very limited.</p> <p>d. No, the legislature does not have any authority <i>in law</i> to amend the budget.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> Parliament’s Standing Orders (318-322) provide that an individual member of Parliament or a Select Committee may propose amendments to the Budget, but that the government may veto any amendments that, in its view, would have more than a minor impact on the fiscal aggregates or on the composition of a Vote.(See the Standing Orders at <a href="http://www.parliament.nz/en-NZ/HowPWorks/Rules/d/8/5/d852c8b4b1a9447daa04d804c3fc5440.htm">http://www.parliament.nz/en-NZ/HowPWorks/Rules/d/8/5/d852c8b4b1a9447daa04d804c3fc5440.htm</a>. No amendments to the government’s budget proposal have been approved in recent years.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	c
<p>81. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <p>a. The approved budget includes program-level detail.</p> <p>b. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs).</p> <p>c. The approved budget includes only departmental totals.</p> <p>d. The approved budget includes less information than departmental totals.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The Appropriation Act approved by Parliament provides information on appropriations by output expense (see answer to Q.4) for each department, with reference to the corresponding page number of the Estimates for more detailed information.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<b>Executive's Implementation of the Budget</b>	
<p>82. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> <li>In-year reports on actual expenditure are released at least every month.</li> <li>In-year reports on actual expenditure are released at least every quarter.</li> <li>In-year reports on actual expenditure are released at least semi-annually.</li> <li>In-year reports on actual expenditure are not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The unaudited Financial Statements of the Government of New Zealand are released monthly, and are available at <a href="http://www.treasury.govt.nz/financialstatements">www.treasury.govt.nz/financialstatements</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>83. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> <li>Yes, in-year reports cover all expenditures.</li> <li>Yes, in-year reports cover at least two-thirds, but not all, of expenditures.</li> <li>Yes, in-year reports cover less than two-thirds of expenditures.</li> <li>No in-year reports are released to the public.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> The Financial Statements are unusually comprehensive by international standards. They cover the Government as a reporting entity, comprising Ministers and departments, crown entities, the New Zealand Superannuation Fund, the Government Superannuation Fund, the Reserve Bank of New Zealand (the central bank), state-owned enterprises, and Air New Zealand. Segment reporting breaks down the Crown into its main constituent components (e.g. core crown, crown entities, state-owned enterprises). Local government is not consolidated..</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>84. What is the most detail provided in the in-year reports on actual expenditures organized by <i>administrative unit</i>?</p> <ul style="list-style-type: none"> <li>a. The in-year reports on actual expenditures organized by administrative unit contain program-level detail.</li> <li>b. The in-year reports on actual expenditures organized by administrative unit contain departmental totals and some additional details (for instance, sub-department totals or major programs).</li> <li>c. The in-year reports on actual expenditures organized by administrative unit contain only departmental totals.</li> <li>d. The in-year reports on actual expenditures organized by administrative unit are not released to the public, not produced, or contain less information than departmental totals.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The monthly financial statements classify expenses by function, and by input type, but do not show expenses by administrative unit.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	d
<p>85. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> <li>a. Yes, comparisons are made for all expenditures.</li> <li>b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures.</li> <li>c. Yes, but comparisons are made for less than two-thirds of expenditures.</li> <li>d. No, comparisons are not made, or no in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> <a href="http://www.treasury.govt.nz/financialstatements/month/may07/cfs11may07.pdf">http://www.treasury.govt.nz/financialstatements/month/may07/cfs11may07.pdf</a></p> <p><u>Comment:</u> Comparisons are made against the full year budget forecasts for the current year, and against the previous year (both year to date and full year outturn).</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>86. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ul style="list-style-type: none"> <li>a. In-year reports on actual revenue collections by source of revenue are released at least every month.</li> <li>b. In-year reports on actual revenue collections are released at least every quarter.</li> <li>c. In-year reports on actual revenue collections are released at least semi-annually.</li> <li>d. In-year reports on actual revenue collections by source of revenue are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation and/or comment:</u> Same as for Q82.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>87. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ul style="list-style-type: none"> <li>a. In-year reports cover the actual revenue collections of all sources of revenue.</li> <li>b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue.</li> <li>c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources.</li> <li>d. In-year reports on actual revenue collections are not released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Same as for Q.83.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>88. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> <li>a. Yes, comparisons are made for all revenue sources.</li> <li>b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources.</li> <li>c. Yes, but comparisons are made for less than two-thirds of revenue sources.</li> <li>d. No, comparisons are not made, or no in-year reports are released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Same as for Q.85.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>89. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> <li>a. Yes, in-year reports on actual borrowing are released at least every month.</li> <li>b. Yes, in-year reports on actual borrowing are released at least every quarter.</li> <li>c. Yes, in-year reports on actual borrowing are released at least semi-annually.</li> <li>d. No, in-year reports on actual borrowing are not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Same as for Q.82.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>90. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <p>a. Yes, extensive information related to the composition of government debt is presented.</p> <p>b. Yes, key additional information is presented, but some details are excluded.</p> <p>c. Yes, some additional information is presented, but it lacks important details.</p> <p>d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u> The monthly financial statements present information on debt (currency composition, debt instrument type, sovereign guaranteed and non-guaranteed) - see <a href="http://www.treasury.govt.nz/financialstatements/month/may07/cfs11may07.pdf">www.treasury.govt.nz/financialstatements/month/may07/cfs11may07.pdf</a> On a quarterly basis, information on the maturity profile of gross sovereign debt is published in the Financial Statements of the Government. - see the Financial Statements of the Government of New Zealand for the Three Months Ended 30 November 2006, p. 37, at <a href="http://www.treasury.govt.nz/government/financialstatements/monthend/pdfs/fsgnz-3mths-sep06.pdf">http://www.treasury.govt.nz/government/financialstatements/monthend/pdfs/fsgnz-3mths-sep06.pdf</a></p> <p><u>Comment:</u></p> <p><b><u>Researcher's Response to this Question was "a."</u></b></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> A more appropriate response to this question would be "b." Information on interest rates and maturity profile is missing.</p> <p><b><u>Researcher Response:</u></b> I chose to keep my answer "a" because data on the maturity profile of government debt is reported on a quarterly basis. In-year data does not appear to be published on interest rates. Whether this omission is sufficient to warrant a "b" response is a judgment call, informed by comparability of responses across countries.</p> <p><b><u>IBP Comment:</u></b> IBP editors chose answer, "a" to maintain consistency with the criteria used for selecting answers across countries.</p>	a
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<p>91. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?</p> <ol style="list-style-type: none"> <li>Reports are released 1 month or less after the end of the period.</li> <li>Reports are released 2 months or less (but more than 1 month) after the end of the period.</li> <li>Reports are released more than 2 months after the end of the period.</li> <li>In-year reports are not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> With the exception of the first two months of the year, which are incorporated in a report covering the first quarter, monthly reports were released on average one month and 15 days after the end of the reporting period during 2006/07. One reason for the reports taking longer than a month is that they are unusually comprehensive, not only in scope (see Q.83) but also in depth – they contain a full balance sheet of government.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b
<p>92. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ol style="list-style-type: none"> <li>Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget.</li> <li>Yes, the mid-year review includes a discussion of the economy, but it lacks some details.</li> <li>Yes, the mid-year review includes a discussion of the economy, but it lacks important details.</li> <li>No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> The government presents a Half Year Economic and Fiscal Update (HYEFU) each year based generally on information to November. Chapter 1 presents a revised set of macroeconomic forecasts (<a href="http://www.treasury.govt.nz/forecasts/hyefu/2006/">www.treasury.govt.nz/forecasts/hyefu/2006/</a>)</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>93. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?</p> <ul style="list-style-type: none"> <li>a. Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.</li> <li>b. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided.</li> <li>c. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided.</li> <li>d. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> Chapter 2 of the HYEUFU presents a revised set of fiscal forecasts.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>94. What is the most detail provided in the mid-year review for expenditures?</p> <ul style="list-style-type: none"> <li>a. The mid-year review includes program-level detail for expenditures.</li> <li>b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs).</li> <li>c. The mid-year review includes only departmental totals (or functional totals).</li> <li>d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The HYEUFU shows expenses by function. There is some explanation of specific expenditure areas (e.g. social welfare transfer payments by type of transfer) as a source of variance from budget forecasts.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>95. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?</p> <ul style="list-style-type: none"> <li>a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels.</li> <li>b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided.</li> <li>c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided.</li> <li>d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> As for Q.93.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>96. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain <i>minimal</i> level specified in law or regulation)?</p> <ol style="list-style-type: none"> <li>a. Yes, the executive seeks approval from the legislature before shifting funds between administrative units.</li> <li>b. Yes, the executive gives prior notification to the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment.</li> <li>c. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented.</li> <li>d. No, the executive shifts funds between administrative units without seeking input from the legislature, or the amount allowed under the law or by regulation is significantly large enough to undermine public scrutiny and accountability (please describe arrangements below).</li> <li>e. Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u>  Supplementary Estimates of Appropriation are the vehicle through which transfers are effected between budget heads – although some unauthorized expenditure does occur each year, for which Ministerial approval, and if above a certain limit, Parliamentary approval is sought ex post in terms of S12 of the Public Finance Act. See pp. 93-102 of the Financial Statements of the Government of New Zealand for the year ended 30 June 2006, at <a href="http://www.treasury.govt.nz/government/financialstatements/yearend/jun06">http://www.treasury.govt.nz/government/financialstatements/yearend/jun06</a></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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97. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?

- a. There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year.
- b. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities.
- c. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities.
- d. No, the procurement process was not open and competitive in practice.
- e. Not applicable/other (please comment).

Citation:

Comment:

Responsibility for procurement lies with individual departments and agencies, subject to compliance with the Government's policy framework (the policy principles set out in the Ministry of Economic Development (MED) Government Procurement in New Zealand, a Policy Guide for Purchasers, interim revised edition published in August 2007; the Mandatory Rules for Procurement by Departments endorsed by Cabinet in April 2006; and the Auditor-General's July 2001 good practice guidelines (Procurement, A Statement of Good Practice) and June 2006 good practice guide (Principles to underpin management by public entities of funding to non-government organizations). The policy framework promotes competition through prescribed open tendering and prequalification procedures, centralized advertising on the Government Electronic Tenders Service (GETS), post-award transparency, and publication of Annual Procurement Plans.

There are occasional instances of government agencies not following the prescribed procedures. In a 2007 report on three Auckland District Health Boards, the Auditor-General found that inadequate attention had been paid to conflicts of interest. In three reports issued in 2005, the Auditor-General found poor decision-making practices for significant expenditures and inadequate identification and management of conflicts of interest at the Te Wananga o Aotearoa; deficiencies in documentation and procedures in the Ministry of Economic Development and the Electricity Commission; and practices in the Ministry of Health that were not consistent with good practice in significant respects.

In the absence of a regular OAG report assessing procurement performance across government, however, it is not easy to get an overall picture of the level of adherence to good practice.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

b

<p>98. When does the legislature typically approve supplemental budgets?</p> <ul style="list-style-type: none"> <li>a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).</li> <li>b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The Supplementary Estimates for 2006/07 were tabled in Parliament on 17 May 2007, the same day that the 2007 Budget was tabled. In the interim, authority for additional spending is provided by an Imprest Supply Act. It is rare for there to be more than one supplementary budget.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>99. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ul style="list-style-type: none"> <li>a. Supplemental budgets are generally equal to 2 percent or less of the original budget.</li> <li>b. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget.</li> <li>c. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget.</li> <li>d. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> In the 2006/07 financial year, the difference between total annual appropriations for expenses in the main Estimates and the Supplementary Estimates was 2.06%. However, in the previous year the difference was 6.38%, although it was 2-3% in the two years prior to that.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

100. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?

- a. Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget.
- b. Expenditures are approved after the funds are expended, but before the end of the fiscal year.
- c. Expenditures are approved after the end of the fiscal year, for example in the next budget.
- d. Such expenditure takes place without legislative approval.
- e. Not applicable/other (please comment).

Citation:

Comment:

Anticipated within-year spending pressures are accommodated by two means. First is a contingency appropriation for the Health sector. In the 2007 budget this “Sector risk management” item was for \$81 million, and was appropriated in the budget. Secondly, in the last few years a general contingency of \$200 million has been notionally set aside to help manage within-year spending pressures. This amount is not appropriated at the time of the budget, nor is there reference to the contingency in the budget documents. Interim Parliamentary authority for the expenditure is provided by Imprest Supply, but specific authority for the expenditure on individual items is not obtained until the Supplementary Estimates in May of each year, after the expenditure has occurred.

**Peer Reviewer One Comment:** Based on comment would a more appropriate response to this question would be “b”?

**Peer Reviewer Two Comment:**

**Researcher’s Response:** I chose my answer because, on reflection, Imprest Supply provides only a broad, vague measure of prior parliamentary approval, whereas I consider the spirit of the question requires ex ante appropriation of contingency provisions to merit a response of “a.” [It would be desirable, perhaps, to revise the wording of the question to clarify whether actual appropriation of contingency expenditures is what is meant by “prior parliamentary approval.”] Furthermore, while further checking with Treasury revealed another contingency provision that is appropriated, in order to merit an “a” I think all such expenditures would need to be appropriated – although this is perhaps subject to a consistency check of how this has been handled across countries.

**IBP Comment:** IBP editors chose answer, “b” in consideration of both the researcher’s explanation and peer reviewer one’s comment.

b

<b>Executive's Year-end Report and the Supreme Audit Institution</b>	
<p>101. How long after the end of the budget year does the executive release to the public a year-end report that discusses the budget's actual outcome for the year?</p> <ul style="list-style-type: none"> <li>a. The report is released six months or less after the end of the fiscal year.</li> <li>b. The report is released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>c. The report is released more than 12 months after the end of the fiscal year.</li> <li>d. The executive does not release a year-end report.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The audited Financial Statements of the Government for the year ended 30 June 2006 were released to the public on 29 September 2006 (91 days after balance date).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>102. In the year-end report have the data on the actual outcomes been audited?</p> <ul style="list-style-type: none"> <li>a. Yes, all data on actual outcomes have been audited.</li> <li>b. At least two-thirds, but not all, of the data on actual outcomes have been audited.</li> <li>c. Less than two-thirds of the data on actual outcomes have been audited.</li> <li>d. None of the data on actual outcomes has been audited, or a year-end report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The report cited in Q.101 contains a report of the Controller and Auditor-General dated 29 September 2006 (pp. 23-25).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>103. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?</p> <ul style="list-style-type: none"><li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li><li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li><li>c. Yes, some explanation is presented, but it lacks important details.</li><li>d. No, an explanation is not presented, or such a report is not released.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u> The Commentary on the Financial Statements of the Government contains a short narrative explanation of the difference between the actual outcome for expenditures and the estimated outcome as of the time of the 2006 Budget (i.e. in May 2006). It is not an extensive commentary. The Financial Statements themselves show the difference between the original budget levels of expenditures and the final outcome.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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<p>104. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report?</p> <ul style="list-style-type: none"> <li>a. The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level.</li> <li>b. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases).</li> <li>c. The explanation focuses on a higher level of aggregation than departmental totals (or functional totals).</li> <li>d. No explanation of the differences is provided, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> The Financial Statements of the Government present an explanation of expenditure variance only at the level of functional totals. No single document presents more detailed information across the government. More detailed information is available, however, from each government department. For instance, each Department’s Annual Report contains a Statement of Objectives and Service Performance setting out, with respect to each grouping of outputs, the actual level of financial and non-financial performance in comparison to the expected level set out in the budget or budget-related documents.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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<p>105. Does the year-end report explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ul style="list-style-type: none"><li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li><li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li><li>c. Yes, some explanation is presented, but it lacks important details.</li><li>d. No, an explanation is not presented, or such a report is not released.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u> The Commentary on the Financial Statements of the Government contains a short narrative explanation of the difference between the actual outcome for revenues and the estimated outcome as of the time of the 2006 Budget (i.e. in May 2006). It is not an extensive commentary. The Financial Statements themselves show the difference between the original budget levels of revenues and the final outcome.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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<p>106. Does the year-end report explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u> While no comparison on an annual basis is published, each six monthly Economic and Fiscal Update describes developments in the macroeconomic situation since the previous forecast. For example, the December 2006 Half Year Economic and Fiscal Update described and discussed the changes in the macroeconomic forecasts compared to those in the 2006 Budget presented the previous May. In addition, the Treasury has completed a detailed assessment of the accuracy of its macroeconomic forecasts, and this is available on the internet at <a href="http://www.treasury.govt.nz/forecasts/performance/">http://www.treasury.govt.nz/forecasts/performance/</a></p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b> Agreed that this is a good assessment of a deliberate decision to separate actual financial statements with reasons for variance.</p>	a
<p>107. Does the year-end report explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> <li>Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li> <li>Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li> <li>Yes, some explanation is presented, but it lacks important details.</li> <li>No, an explanation is not presented, or such a report is not released.</li> <li>Not applicable/other (please comment).</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u> Each Department's Annual Report is required to contain a Statement of Objectives and Service Performance, showing actual performance (financial and non-financial) against the standard specified at the start of the year. Explanations of variances are often relatively brief. See also Q.105.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	b

<p>108. Does the year-end report explain the difference between the original performance indicators and the actual outcome?</p> <ul style="list-style-type: none"><li>a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.</li><li>b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.</li><li>c. Yes, some explanation is presented, but it lacks important details.</li><li>d. No, an explanation is not presented, or such a report is not released.</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u></p> <p><u>Comment:</u> As for Q. 107 above.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>b</p>
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109. Does the year-end report explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?

- a. Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, an explanation is presented, highlighting key differences, but some details are excluded.
- c. Yes, some explanation is presented, but it lacks important details.
- d. No, an explanation is not presented, or such a report is not released.
- e. Not applicable/other (please comment).

**Citation:**

The Statement of Service Performance in each relevant department's Annual Report contains some information on variances with respect to expenditures on low income and vulnerable groups. See for instance the Annual Report of the Ministry of Social Development, at <http://www.msd.govt.nz/publications/annual-report.html> Other departments also report on how their activities impact on vulnerable groups. For instance, the Ministry of Education publishes an annual report on Maori education (Maori are represented disproportionately amongst those experiencing poor educational outcomes). See <http://www.minedu.govt.nz/index.cfm?layout=index&indexid=11896&indexparentid=6504>

**Comment:**

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:** A more appropriate response to this question would be "c." There is a lot of discussion on programs and outputs, but very little on outcomes, especially in regard to the impoverished. This information is contained in other non-budget information.

**Researcher Response:** I chose to keep my answer "b" because the question refers to explanation of the difference between the enacted level of funds and the actual outcome, which I interpret to mean explaining the difference between budgeted and actual expenditure – not, as the reviewer suggests, the difference between the intended impact on the level of poverty compared to the actual impact. The question is however not clear. If the question is intended to require an explanation of the actual impact on outcomes compared to the intended impact, then I agree that "c" would be a more appropriate answer.

**IBP Comment:** IBP editors chose answer, "b" to be in consistent with the researcher's explanation.

b

<p>110. Does the year-end report present the actual outcome for extra-budgetary funds?</p> <ul style="list-style-type: none"> <li>a. Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates.</li> <li>b. Yes, information is presented, highlighting key issues, but some details are excluded.</li> <li>c. Yes, some information is presented, but it lacks important details.</li> <li>d. No, information is not presented on extra-budgetary funds, or such a report is not released.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The New Zealand Superannuation Fund, the Government Superannuation Fund, the Accident Compensation Corporation and the Earthquake and War Damages Commission are subject to audit by the Auditor-General, and detailed information on them is presented in the Notes to the Financial Statements (see Notes 8, 16 and 17). (See answer to Q.35 for discussion of the concept of EBF in the New Zealand context).</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<b><i>The Independence and Performance of the Supreme Audit Institution</i></b>	
<p>111. How long after the end of the fiscal year are the final annual expenditures of national departments audited and (except for secret programs) released to the public?</p> <ul style="list-style-type: none"> <li>a. Final audited accounts are released to the public six months or less after the end of the fiscal year.</li> <li>b. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year.</li> <li>c. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year.</li> <li>d. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> Departmental audits are completed by the end of September following the end of the financial year on 30 June, which is a legal requirement.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>112. Two years after the completion of a fiscal year, what percentage of annual expenditures has been audited and (except for secret programs) the report(s) released to the public?</p> <ul style="list-style-type: none"> <li>a. All expenditures have been audited and the reports released to the public.</li> <li>b. Expenditures representing at least two-thirds of, but not all, expenditure have been audited.</li> <li>c. Expenditure representing less than two-thirds of expenditure have been audited.</li> <li>d. No expenditures have been audited, the reports have not been released to the public, or was released more than 24 months after the end of the fiscal year.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> All such expenditures, including those of crown entities, are audited within 4 months of balance date.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>113. Does the annual audit report(s) that is released to the public include an executive summary?</p> <ul style="list-style-type: none"> <li>a. The annual audit report(s) includes one or more executive summaries summarizing the report's content.</li> <li>b. No, the audit report(s) does not include an executive summary, or such reports are not released to the public, or was released more than 24 months after the end of the fiscal year.</li> <li>c. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u>  The Auditor-General's annual report to Parliament on the audit of central government is itself a summary of the Office's findings on key crosscutting issues. For instance, Part One of the 2005-06 report contains an 11 page discussion of the significant matters arising in the Audit of the Government's Financial Statements, and Part Two is a 5 page summary of the Auditor-General's assessment of the quality of departments' financial and service performance. On this basis an answer of "a" is warranted for this question. The Report of the Auditor General contained in each Department's Annual Report (the financial audit report) is very brief, describing the overall finding (e.g. an unqualified opinion) and the generic basis on which, and process by which, the audit was undertaken. This is in accordance with the Public Audit Act 2001, and conforms to Auditing Standards that provide for a short-form audit report. Detailed issues are taken up by the Auditor General in a management letter sent to the Chief Executive of each department, and to the relevant Minister and Select Committee of Parliament. These management letters are not publicly available unless the relevant Select Committee decides to scrutinize the Department in detail – in which case they are lodged in the Parliamentary Library and are available to the public. The remaining management letters could be requested from departments under the OIA (see Q. 63).</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>114. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?</p> <p>a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed.</p> <p>b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.</p> <p>c. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The Public Audit Act 2001 stipulates that the Auditor-General can only be removed from office by the Governor-General, on an address from Parliament for disability affecting the performance of duty, bankruptcy, neglect of duty or misconduct. The Auditor-General has a fixed term of 7 years with no right of renewal.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>115. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <p>a. Yes, the SAI releases to the public audits of all extra-budgetary funds.</p> <p>b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds.</p> <p>c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds.</p> <p>d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds, or such a report was released more than 24 months after the end of the fiscal year.</p> <p>e. Not applicable/other (please comment).</p> <p><u>Citation:</u></p> <p><u>Comment:</u> The New Zealand Superannuation Fund, the Government Superannuation Fund, the Accident Compensation Corporation and the Earthquake and War Damages Commission are subject to audit by the Auditor-General, and detailed information on them is presented in the Notes 8, 16, and 17 of the Financial Statements, and in their respective annual reports. (See answer to Q.35 for discussion of the concept of EBF in the New Zealand context). The mandate of the Auditor-General is wide and covers all public funds, audits of which are all reported publicly. A performance audit of the New Zealand Superannuation Fund by the Auditor-General is planned for the 2007/08 year.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>116. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have <i>the discretion in law</i> to undertake those audits it may wish to?</p> <ul style="list-style-type: none"> <li>a. The SAI has full discretion to decide which audits it wishes to undertake.</li> <li>b. The SAI has significant discretion, but faces some limitations.</li> <li>c. The SAI has some discretion, but faces considerable limitations.</li> <li>d. The SAI has no discretion to decide which audits it wishes to undertake.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> S.9 of the Public Audit Act provides the Auditor-General with freedom to determine his or her own auditing approach, and freedom from political direction as to work program priorities. The Auditor-General can report to Parliament at any time on any matter.</p> <p><u>Comment:</u></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a
<p>117. Who determines the budget of the Supreme Audit Institution?</p> <ul style="list-style-type: none"> <li>a. The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</li> <li>b. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.</li> <li>c. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</li> <li>d. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u> S.26E of the Public Finance Act provides that Parliament itself determines the budget of Offices of Parliament, including the Office of the Auditor-General. The process is one in which the Offices submit their proposed budgets to the Offices of Parliament Select Committee, which reports to Parliament. Parliament in turn sends an address to the Governor-General recommending inclusion of specified budgets in the Appropriations Bill.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	a

<p>118. Does the Supreme Audit Institution employ designated staff for undertaking audits of the central government agencies pertaining to the security sector (military, police, intelligence services)?</p> <ul style="list-style-type: none"> <li>a. The SAI employs designated staff, and the staffing levels are broadly consistent with the resources the SAI needs to fulfill its mandate.</li> <li>b. The SAI employs designated staff, but the staffing levels are a cause of some constraints to the SAI in fulfilling its mandate.</li> <li>c. The SAI employs designated staff, but the staffing levels pose a significant constraint on the SAI in fulfilling its mandate.</li> <li>d. The SAI does not employ designated staff for auditing of the security sector, or does not undertake audits of the security sector.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u> Email communication with Wendy Venter, Assistant Auditor-General, 14 February 2008.</p> <p><u>Comment:</u> The Auditor-General appoints auditors to carry out these audits on his behalf (as with non-security-related audits). These auditors are required to have the necessary security clearances to carry out their responsibilities, and tight restrictions are placed on access to information related to the intelligence agencies.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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<p>119. Does the Supreme Audit Institution maintain formal mechanisms of communication with the public to receive complaints and suggestions to assist it in determining its audit program (that is, to identify the agencies, programs, or projects it will audit)?</p> <ol style="list-style-type: none"> <li>a. Yes, the SAI maintains mechanisms of communication with the public, and received more than 100 communications from the public during the past year.</li> <li>b. Yes, the SAI maintains mechanisms of communication with the public, and received less than 100 but more than ten communications from the public during the past year.</li> <li>c. Yes, the SAI maintains mechanisms of communication with the public but it receives very little (less than ten) or no information from the public on potential subjects for audit.</li> <li>d. No, the SAI does not maintain any formal mechanisms of communication with the public.</li> <li>e. Not applicable.</li> </ol> <p><u>Citation:</u></p> <p><u>Comment:</u>  The Auditor-General has the discretion to inquire into a public entity's use of resources under section 18 of the Public Audit Act. Inquiries can be undertaken at the Auditor-General's own initiative or when correspondence from taxpayers, ratepayers or members of Parliament draw attention to potential issues. Each year the Auditor-General usually receives 200 - 300 requests for inquiries from members of the public and Parliament. Some inquiries are straightforward, and are concluded by the Auditor-General writing to the public entity concerned and the original correspondent (if any) discussing findings. However, other inquiries address more complex matters. The Auditor-General may, if the issues are significant, produce a public report that is presented to Parliament, a Minister, or a public entity.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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120. Does a committee of the legislature view and scrutinize the audit reports?

- a. Yes, all audit reports are scrutinized.
- b. Yes, most audit reports are scrutinized.
- c. Yes, some audit reports are scrutinized.
- d. No, audit reports are not scrutinized.
- e. Not applicable/other (please comment).

Citation:

Comment:

As part of the financial accountability procedures of Parliament, Select Committees are required to conduct financial reviews of the performance in the previous financial year and current operations of each department, Crown entity, State enterprise, public organization and Office of Parliament. Not all of these agencies are individually scrutinized each year, a number being subject to pro forma review at the Committee's discretion. The Auditor-General provides advice to select committees for their financial reviews. As part of this advisory role, the annual audit report of the relevant agency is provided to the select committee as part of the Auditor-General's written briefing. This report is the more detailed report referred to in Q113. Where an agency is subject to full scrutiny by financial review, the audit report is available publicly when the Committee reports to the House. This does not occur when there is a pro forma review. However, the annual audit report is provided to the Committee for all entities.

The Auditor-General also regularly presents various reports to the House, for example, general purpose reports that comment on a number of matters that warrant Parliament's attention, and special purpose reports that contain the results of performance audit and inquiries. There is no obligation for FEC or Select Committee to examine these reports. On a number of occasions a Select Committee will request a briefing from the Controller and Auditor General on such a report, but this rarely leads to a Select Committee report to Parliament.

The Auditor-General has previously expressed concern about a lack of Parliamentary follow-up of matters raised in his reports – see for instance, the Annual Report of the Audit Office for the year ended 30/6/1995 (pp.11-12), the Annual report for the year ended 30/6/2000 (p.12), and the Report on the Audit of Central Government 2001-02 (pp.101-102).

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

b

<p>121. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ul style="list-style-type: none"> <li>a. Yes, the executive reports publicly on what steps it has taken to address audit findings.</li> <li>b. Yes, the executive reports publicly on most audit findings.</li> <li>c. Yes, the executive reports publicly on some audit findings.</li> <li>d. No, the executive does not report on steps it has taken to address audit findings.</li> <li>e. Not applicable/other (please comment).</li> </ul> <p><u>Citation:</u></p> <p><u>Comment:</u>  The Auditor-General has recommended on a number of occasions that consideration be given to instituting a formal mechanism for Parliament to consider OAG reports, including provision for presentation of government responses to audit findings – see for instance the Report on the Audit of Central Government 2001-02 (pp.101-102), available at <a href="http://www.oag.govt.nz/central-govt/2001-02/index.htm/?searchterm=report%20on%20the%20audit%20of%20central%20government">http://www.oag.govt.nz/central-govt/2001-02/index.htm/?searchterm=report%20on%20the%20audit%20of%20central%20government</a></p> <p>A recent civil society assessment recommended that the executive should be required to respond to Parliament within three months on actions taken in response to Auditor-General findings or deficiencies (see New Zealand National Integrity Systems Country Study Report 2003, Henderson, Cave and Petrie, pp.21-22, available at <a href="http://www.transparency.org/activities/nat_integ_systems/country_studies.html">http://www.transparency.org/activities/nat_integ_systems/country_studies.html</a></p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>d</p>
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122. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

- a. Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations.
- b. Yes, a report is released, covering key audit recommendations, but some details are excluded.
- c. Yes, a report is released, but it lacks important details.
- d. No, a report is not produced or it is prepared for internal purposes only (please specify).
- e. Not applicable/other (please comment).

Citation:

Email communication with Wendy Venter, Assistant Auditor-General, 14 February 2008.

Comment:

In each of the four years up to 2003-04 the Auditor-General included, in the annual report on the results of the audit of central government, a section that gave a brief analysis of the status of follow-up actions taken by the executive in selected key areas. See Part Eleven, pp.99-121 of “Central Government: Results of the 2003-04 Audits” available at <http://www.oag.govt.nz/central-govt/2003-04/index.htm/?searchterm=central%20government%202003-04>. However, this section has not been in the report for the most recent two years. The Auditor-General has instead taken a more targeted approach, and conducted some follow-up audits of previous performance audits where there have been significant/adverse findings - for example, Inland Revenue Department : Performance of Taxpayer Audit, New Zealand Police: Dealing with Dwelling Burglary, Effectiveness of Controls over the Taxi Industry, Civil Aviation Authority - certification and surveillance functions. Besides the formal published follow-up audits, the Office also reports to Select Committees of the Legislature, and to monitoring agencies, and some agencies self-report. Consideration is currently being given to the Office's follow-up processes on performance audits, including any public reporting that should occur.

**Peer Reviewer One Comment:**

**Peer Reviewer Two Comment:**

d

<p>123. Are audit reports of the annual accounts of the security sector (military, police, intelligence services) and other secret programs provided to the legislature (or relevant committee)?</p> <ul style="list-style-type: none"><li>a. Yes, legislators are provided with detailed audit reports related to the security sector and other secret programs.</li><li>b. Yes, legislators are provided audit reports on secret items, but some details are excluded.</li><li>c. Yes, legislators are provided audit reports on secret items, but they lack important details.</li><li>d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).</li><li>e. Not applicable/other (please comment).</li></ul> <p><u>Citation:</u></p> <p><u>Comment:</u> The Audit Office provides reports to The Intelligence and Security Committee of Parliament on the operations of the security agencies.</p> <p><b><u>Peer Reviewer One Comment:</u></b></p> <p><b><u>Peer Reviewer Two Comment:</u></b></p>	<p>a</p>
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