

Hon Grant Robertson

MP for Wellington Central

Minister of Finance

Minister for Sport and Recreation

Minister for Cyclone Recovery

Leader of the House



10 October 2023

Chris McCashin
fyi-request-23995-fc93a851@requests.fyi.org.nz

Dear Chris

Thank you for your Official Information Act request, received on 30 August 2023. You requested:

“Please provide a list of all of the government agencies that have and or / can issue their own debt and borrow without going through Treasury. Kainga Ora are / had been doing this.

Can you also please provide their current debt amounts - think KO has \$12.1B in debt.

And can you tell me how this is taken into account when Treasury release the accounts.

For example latest numbers released show debt is at \$73B - does this take into account the \$12.1B that KO has in debt which would mean it is actually \$85B?

So can you please provide the current numbers

- Net Crown Debt*
- Plus agency and amount of Debt*
- Total Debt”*

On 27 September 2023, I extended the timeframe for responding to your request by 10 working days and you were notified.

Information being released

A list of State-owned Enterprises (SOEs) and Crown entities with borrowings at 30 June 2023 is provided, along with the amount, within the Additional Financial Information section of the Financial Statements of the Government for the year ending 30 June 2023. Crown entity borrowings totalled \$48.1 billion (which includes Kiwi Group Capital Limited and Kāinga Ora), while SOE borrowings totalled \$11.7 billion. These amounts include borrowings with third parties as well as borrowings through New Zealand Debt Management (NZDM). Please refer to the link under *Information publicly available* below.

Information on whether Government reporting agencies have issued securities can be found on the New Zealand Exchange website. Please refer to the following link: <https://www.nzx.com/markets/NZDX>.

The Treasury releases the Financial Statements of the Government which are reported at a consolidated total Crown level, which takes into account the results of all government reporting agencies. The borrowings of all government reporting agencies are reflected as liabilities on the statement of financial position of the Government.

However, transactions between government reporting agencies are eliminated on consolidation (for example ACC holds debt instruments issued by the Treasury) and so the statement of financial position only reflects the borrowings with third parties. At 30 June 2023, total borrowings were \$226.8 billion.

For fiscal strategy purposes, the Government has key fiscal indicators which are also reported in the financial statements released by the Treasury. At 30 June 2023 net debt was \$71.4 billion, which included \$17.5 billion of Crown entity borrowings (including \$12.4 billion of Kāinga Ora borrowings).

At Budget 2022, 'net debt' replaced 'net core Crown debt' as the Government's headline net debt indicator. The coverage of net debt is wider than net core Crown debt as it includes core Crown advances, Crown entity borrowings (excluding Kiwi Group Capital Limited) and the financial assets and borrowings of the NZ Super Fund.

Therefore, the Crown entity borrowings (excluding Kiwi Group Capital Limited) listed in the Additional Financial Information of the financial statements are incorporated within the net debt balance, however borrowings of SOEs are excluded. A historic time series of net debt can be found in the Financial Statements of the Government for the year ending 30 June 2023 and further information about the change in the net debt indicator, and its coverage, can be found in the Budget Economic and Fiscal Update 2022 on pages 38 and 39 (refer to the links under *Information publicly available* below).

Information publicly available

The following information is covered by your request and is publicly available on the Treasury website:

Item	Date	Document Description	Website Address
1	Thursday, 5 Oct 2023	Financial Statements of the Government of New Zealand for the Year Ended 30 June 2023	https://www.treasury.govt.nz/publications/year-end/financial-statements-2023
2	Thursday, 19 May 2022	Budget Economic and Fiscal Update 2022	https://www.treasury.govt.nz/publications/efu/budget-economic-and-fiscal-update-2022

Accordingly, I have refused your request for the documents listed in the above table under section 18(d) of the Official Information Act:

- the information requested is or will soon be publicly available.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely



Hon Grant Robertson
Minister of Finance