



Cabinet Economic Development Committee

Minute of Decision

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Government Inquiry into Operation Burnham and Related Matters: Extension to the Final Report Date and Additional Funding

Portfolios Attorney-General / Internal Affairs

On 3 April 2019, the Cabinet Economic Development Committee, having been authorised by Cabinet to have Power to Act [CAB-19-MIN-0136]:

- 1 **noted** that on 9 April 2018, Cabinet endorsed the Attorney-General's decision to establish a Government Inquiry to examine the allegations of wrongdoing by the New Zealand Defence Force in connection with Operation Burnham and related matters (the Government Inquiry) [CAB-18-MIN-0159];
- 2 **noted** that Sir Terence Arnold (Chair) and Rt Hon Sir Geoffrey Palmer have been appointed as members of the Government Inquiry;
- 3 **noted** that the original approved budget for the Government Inquiry was \$2.000 million, with a final report back date of 16 April 2019;
- 4 **noted** that when approving the budget for the Government Inquiry, Cabinet noted the likelihood of additional funding being required to deliver on the Terms of Reference set by the government;
- 5 **noted** that the members of the Government Inquiry have written to the Attorney-General requesting:
 - 5.1 an extension of the final report date to 31 December 2019;
 - 5.2 additional funding of \$5.000 million;
- 6 **agreed** to extend the final report date for the Government Inquiry from 16 April 2019 to 31 December 2019;
- 7 **noted** the key budget assumptions underlying the request for additional funding, as follows:
 - 7.1 the Chair and member work four and a half days per week, with a secretariat staff of seven Full-Time Equivalents;
 - 7.2 three phases of interviews involving up to approximately 120 witnesses;
 - 7.3 legal and specialist advice and services related to intelligence, classified information, operational military expertise and international human rights;

8 **noted** that the budget includes allowance for a specified person’s legal costs to be paid by the Crown, as recommended by the Government Inquiry under section 18 of the Inquiries Act 2013;

Financial implications

9 **agreed** to increase funding in Vote Internal Affairs in 2018/19 and 2019/20 to provide for the costs associated with the continued operation of the Government Inquiry and the extension to the final report back date;

10 **agreed** that the Attorney-General should convey to the Government Inquiry Cabinet’s expectation that the additional funding should achieve the Inquiry’s stated aim of bringing the matter to conclusion by the end of 2019;

11 **noted** that the funding for the Government Inquiry extension is urgent, cannot be met from Vote Internal Affairs' baselines, cannot be deferred until Budget 2019, and is driven by the requirements of the Inquiry;

12 **approved** the following changes to appropriations to meet the costs associated with the extension of the report back date for the Government Inquiry, with a corresponding impact on the operating balance and net core Crown debt:

	\$million – increase/(decrease)				
Vote Internal Affairs Minister of Internal Affairs	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Multi-Category Expenses and Capital Expenditure: Support for Statutory and Other Bodies MCA Departmental Output Expense: Commissions of Inquiry and Similar Bodies (funded by revenue Crown)	2.743	1.846	-	-	-
Non-Departmental Other Expense: Public Inquiries	0.090	0.321	-	-	-
Total Operating	2.833	2.167	-	-	-

13 **agreed** that the changes to appropriations for 2018/19 above be included in the 2018/19 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

14 **agreed** that the expenses incurred under paragraph 12 above be charged against the between-Budget contingency established as part of Budget 2018;

15 **agreed in principle** to transfer from 2018/19 to 2019/20 any underspend in the above appropriations, with the final amounts to be transferred to be confirmed as part of the 2019 October Baseline Update, once audited accounts for 2018/19 are available;

16 **agreed** that any underspends associated with the Government Inquiry be returned to centre.

Janine Harvey
Committee Secretary

Hard-copy distribution: (see over)

Present:

Rt Hon Winston Peters
Hon Kelvin Davis
Hon Grant Robertson (Chair)
Hon Phil Twyford
Hon Dr Megan Woods
Hon David Parker
Hon Nanaia Mahuta
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Jenny Salesa
Hon Damien O'Connor
Hon Shane Jones
Hon Kris Faafoi
Hon Julie Anne Genter
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Hard-copy distribution:

Attorney-General
Minister of Internal Affairs