

# Data and forecasts from BEFU 2014 for selected expenditure categories

*prepared for Green Party of Aotearoa New Zealand by Business and Economic Research Limited (BERL)*

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[Calculations to maintain real value of spending](#)

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## Note

All data extracted from BEFU2014 with exception of health sector inflation forecast. Health sector inflation forecasts imputed by BERL as follows. We use BEFU forecasts for CPI and assume that the differential in CPI health group inflation and CPI All Group inflation over the 2009-2013 period is maintained over the forecast period.

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Measure	Unit	June years										3yr change 2017 %Δ on 2014	
		2009	2010	Actual 2011	2012	2013	2014	BEFU projection					2015
<b>Core Crown expenses</b>													
Nominal	\$ million	64,002	64,013	70,450	69,076	70,306	71,616	73,107	75,980	78,674	81,453	9.9%	
Real	2014 \$ million	70,870	69,721	72,886	70,791	71,561	71,616	71,729	72,700	73,630	74,712	2.8%	
% of Nominal GDP	%	34.4%	33.2%	35.1%	32.9%	33.0%	31.0%	30.3%	30.1%	29.9%	29.9%		
<b>Health expenses</b>													
Nominal	\$ million	12,368	13,128	13,753	14,160	14,498	14,889	15,065	15,132	15,191	15,274	2.0%	
Real	2014 \$ million	13,695	14,299	14,228	14,512	14,757	14,889	14,781	14,479	14,217	14,010	-4.5%	
Real health sector prices	2014 \$ million	15,061	15,412	15,142	15,274	15,040	14,889	14,503	13,939	13,429	12,984	-9.8%	
% of Nominal GDP	%	6.7%	6.8%	6.8%	6.8%	6.8%	6.5%	6.2%	6.0%	5.8%	5.6%		
<b>Educaton expenses</b>													
Nominal	\$ million	11,455	11,724	11,650	11,654	12,504	12,411	12,827	12,974	13,035	13,109	5.0%	
Real	2014 \$ million	12,684	12,769	12,053	11,943	12,727	12,411	12,585	12,414	12,199	12,024	-1.7%	
% of Nominal GDP	%	6.2%	6.1%	5.8%	5.6%	5.9%	5.4%	5.3%	5.1%	5.0%	4.8%		
<b>Social welfare benefit expenses excluding NZ superannuation</b>													
Nominal	\$ million	9,622	10,671	10,951	10,791	10,554	10,291	10,146	10,145	10,314	10,409	0.2%	
Real	2014 \$ million	10,655	11,623	11,330	11,059	10,742	10,291	9,955	9,707	9,653	9,548	-6.2%	
% of Nominal GDP	%	5.2%	5.5%	5.5%	5.1%	5.0%	4.5%	4.2%	4.0%	3.9%	3.8%		
<b>Environmental protection expenses</b>													
Nominal	\$ million	416	651	1,225	769	530	534	510	511	491	494	-8.1%	
Real	2014 \$ million	461	709	1,267	788	539	534	500	489	460	453	-13.9%	
% of Nominal GDP	%	0.2%	0.3%	0.6%	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%		
<b>Community development and housing expenses excluding financial assistance package</b>													
Nominal	\$ million	297	339	376	361	343	377	326	280	224	220	-40.6%	
Real	2014 \$ million	329	369	389	370	349	377	320	268	210	202	-44.4%	
% of Nominal GDP	%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%		

Measure	Unit	June years				Total 2015-2017	3yr change 2017 %Δ on 2014
		Spending required to maintain at least 2014 real value					
		2014	2015	2016	2017		
<b>Health expenses</b>							
Nominal from BEFU	\$ million	14,889	15,065	15,132	15,191		2.0%
Nominal to maintain real value	\$ million	14,889	15,175	15,561	15,909		6.9%
Real	2014 \$ million	14,889	14,889	14,889	14,889		0.0%
<b>Additional (cf BEFU) nominal spending required</b>	<b>\$ million</b>		<b>110</b>	<b>429</b>	<b>718</b>	<b>1,257</b>	
<b>Education expenses</b>							
Nominal from BEFU	\$ million	12,411	12,827	12,974	13,035		5.0%
Nominal to maintain real value	\$ million	12,411	12,827	13,153	13,447		8.4%
Real	2014 \$ million	12,411	12,585	12,585	12,585		1.4%
<b>Additional (cf BEFU) nominal spending required</b>	<b>\$ million</b>		<b>0</b>	<b>179</b>	<b>412</b>	<b>591</b>	
<b>Environmental protection expenses</b>							
Nominal from BEFU	\$ million	534	510	511	491		-8.1%
Nominal to maintain real value	\$ million	534	544	558	571		6.9%
Real	2014 \$ million	534	534	534	534		0.0%
<b>Additional (cf BEFU) nominal spending required</b>	<b>\$ million</b>		<b>34</b>	<b>47</b>	<b>80</b>	<b>161</b>	
<b>Community development and housing expenses excluding financial assistance package</b>							
Nominal from BEFU	\$ million	377	326	280	224		-40.6%
Nominal to maintain real value	\$ million	377	384	394	403		6.9%
Real	2014 \$ million	377	377	377	377		0.0%
<b>Additional (cf BEFU) nominal spending required</b>	<b>\$ million</b>		<b>58</b>	<b>114</b>	<b>179</b>	<b>351</b>	
<b>Total additional required</b>		<b>\$ million</b>	<b>203</b>	<b>769</b>	<b>1,389</b>	<b>2,360</b>	
<b>Health expenses (if maintained in real health sector prices)</b>							
Nominal from BEFU	\$ million	14,889	15,065	15,132	15,191		2.0%
Nominal to maintain real value	\$ million	14,889	15,466	16,164	16,843		13.1%
Real health sector prices	2014 \$ million	14,889	14,889	14,889	14,889		0.0%
<b>Additional (cf BEFU) nominal spending required</b>	<b>\$ million</b>		<b>401</b>	<b>1,032</b>	<b>1,652</b>	<b>3,085</b>	
<b>Total additional required if health spending maintained in real health sector prices</b>		<b>\$ million</b>	<b>494</b>	<b>1,372</b>	<b>2,322</b>	<b>4,188</b>	

Social welfare benefit expenses excluding NZ superannuation	Unit	June years										3yr change
		Actual					BEFU projection					2017 %Δ on 2014
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>Combined support payment expenses</b>												
Nominal	\$ million	3,989	4,636	4,749	4,794	4,662	4,513	4,409	4,343	4,361	4,445	-3.4%
Real	2014 \$ million	4,417	5,049	4,913	4,913	4,745	4,513	4,326	4,156	4,081	4,077	-9.6%
% of Nominal GDP	%	2.1%	2.4%	2.4%	2.3%	2.2%	2.0%	1.8%	1.7%	1.7%	1.6%	
<b>Combined tax credit expenses</b>												
Nominal	\$ million	2,673	2,787	2,746	2,670	2,593	2,532	2,461	2,439	2,504	2,466	-1.1%
Real	2014 \$ million	2,960	3,036	2,841	2,736	2,639	2,532	2,415	2,334	2,343	2,262	-7.4%
% of Nominal GDP	%	1.4%	1.4%	1.4%	1.3%	1.2%	1.1%	1.0%	1.0%	1.0%	0.9%	
<b>Combined accomodation and rent expenses</b>												
Nominal	\$ million	1,493	1,676	1,750	1,775	1,788	1,819	1,859	1,904	1,954	2,024	7.4%
Real	2014 \$ million	1,653	1,825	1,811	1,819	1,820	1,819	1,824	1,822	1,829	1,856	0.5%
% of Nominal GDP	%	0.8%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.7%	0.7%	
<b>Disability assistance</b>												
Nominal	\$ million	390	411	409	401	384	379	373	374	375	378	-1.1%
Real	2014 \$ million	432	448	423	411	391	379	366	358	351	347	-7.4%
% of Nominal GDP	%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	
<b>Paid parental leave</b>												
Nominal	\$ million	143	154	154	158	165	164	176	223	244	254	48.8%
Real	2014 \$ million	158	168	159	162	168	164	173	213	228	233	39.2%
% of Nominal GDP	%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
<b>Childcare assistance</b>												
Nominal	\$ million	159	178	188	188	186	185	183	184	186	188	0.5%
Real	2014 \$ million	176	194	194	193	189	185	180	176	174	172	-5.9%
% of Nominal GDP	%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	
<b>Other expenses</b>												
Nominal	\$ million	775	829	955	805	776	699	685	678	690	654	-1.3%
Real	2014 \$ million	858	903	988	825	790	699	672	649	646	600	-7.6%
% of Nominal GDP	%	0.4%	0.4%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.2%	
<b>Combined support payment expenses per beneficiary</b>												
Nominal	\$	13,996	13,880	13,886	14,353	14,433	14,511	14,746	15,080	15,356	15,707	
Real	2014 \$	15,498	15,118	14,366	14,710	14,691	14,511	14,468	14,429	14,371	14,407	

Notes:

Combined support payment = Jobseeker Support and Emergency Benefit + Supported living payment + Sole parent support + Domestic Purposes Benefit + Invalid's Benefit + Sickness Benefit + Unemployment Benefit.

Combined tax credit=Family Tax Credit + Other working for families tax credits.

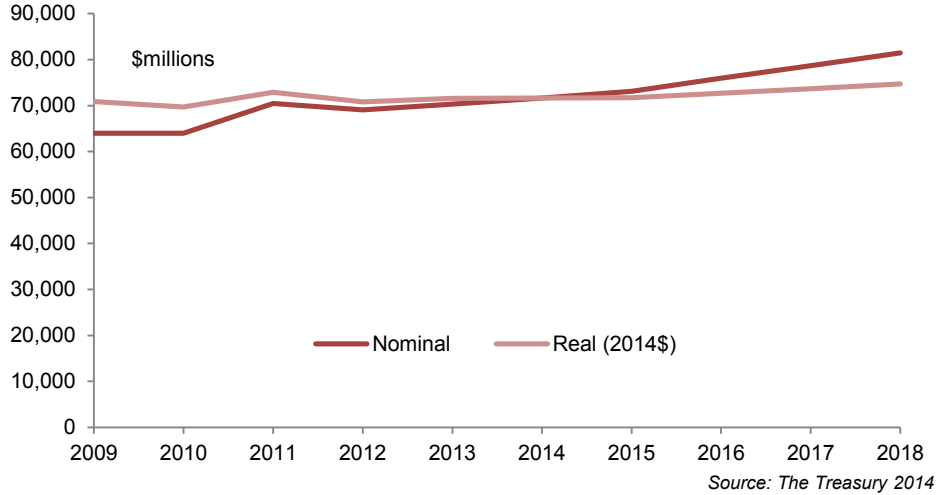
Combined accommodation and rent = Accommodation Assistance + Income-Related Rents.

Health Expenses	Unit	June years										3yr change
		Actual					BEFU projection					2017 %Δ on 2014
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Nominal	\$ million	12,368	13,128	13,753	14,160	14,498	14,889	15,065	15,132	15,191	15,274	2.0%
Real	2014 \$ million	13,695	14,299	14,228	14,512	14,757	14,889	14,781	14,479	14,217	14,010	-4.5%
Real health sector prices	2014 \$ million	15,061	15,412	15,142	15,274	15,040	14,889	14,503	13,939	13,429	12,984	-9.8%
% of Nominal GDP	%	6.7%	6.8%	6.8%	6.8%	6.8%	6.5%	6.2%	6.0%	5.8%	5.6%	
<i>Source: The Treasury</i>												
<i>, BERL Calculations 2014</i>												
<b>Health Expenses per person</b>												
Nominal	\$	2,877	3,017	3,129	3,200	3,253	3,300	3,292	3,270	3,253	3,241	-1.4%
Real	2014 \$	3,186	3,286	3,237	3,279	3,311	3,300	3,230	3,129	3,044	2,973	-7.7%
Real health sector prices	2014 \$	3,504	3,541	3,445	3,452	3,374	3,300	3,169	3,012	2,875	2,755	-12.9%

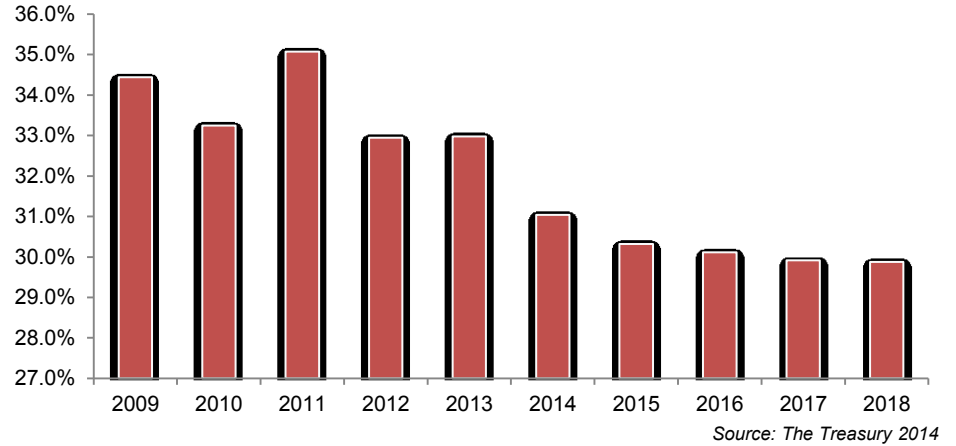
Education expenses		June years										3yr change
		Actual					BEFU projection					2017 %Δ on 2014
		Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>Early childhood education expenses</b>												
Nominal	\$ million	1,030	1,184	1,340	1,355	1,436	1,540	1,604	1,650	1,680	1,716	9.1%
Real	2014 \$ million	1,141	1,290	1,386	1,389	1,462	1,540	1,574	1,579	1,572	1,574	2.1%
% of Nominal GDP	%	0.6%	0.6%	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	
<b>Primary education expenses</b>												
Nominal	\$ million	2,484	2,622	2,731	2,771	2,845	2,843	2,961	3,028	3,033	3,041	6.7%
Real	2014 \$ million	2,751	2,856	2,825	2,840	2,896	2,843	2,905	2,897	2,839	2,789	-0.2%
% of Nominal GDP	%	1.3%	1.4%	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.1%	
<b>Secondary education expenses</b>												
Nominal	\$ million	1,898	1,972	2,051	2,085	2,148	2,171	2,236	2,262	2,254	2,252	3.8%
Real	2014 \$ million	2,102	2,148	2,122	2,137	2,186	2,171	2,194	2,164	2,109	2,066	-2.8%
% of Nominal GDP	%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.8%	
<b>Other combined primary and secondary expenses</b>												
Nominal	\$ million	554	563	572	587	597	615	627	634	636	640	3.4%
Real	2014 \$ million	613	613	592	602	608	615	615	607	595	587	-3.2%
% of Nominal GDP	%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	
<b>Tertiary education expenses</b>												
Nominal	\$ million	4,564	4,465	3,991	3,795	4,370	4,042	4,253	4,286	4,325	4,344	7.0%
Real	2014 \$ million	5,054	4,863	4,129	3,889	4,448	4,042	4,173	4,101	4,048	3,984	0.1%
% of Nominal GDP	%	2.5%	2.3%	2.0%	1.8%	2.0%	1.8%	1.8%	1.7%	1.6%	1.6%	

Education expenses per student	Unit	June years										3yr change
		Actual					BEFU projection					2017 %Δ on 2014
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>Early childhood education expenses</b>												
Nominal	\$	7,247	7,745	8,375	8,141	8,216	8,439	8,568	8,592	8,605	8,609	2.0%
Real	2014 \$	8,024	8,435	8,665	8,344	8,363	8,439	8,406	8,221	8,053	7,897	-4.6%
<b>Primary education expenses</b>												
Nominal	\$	5,234	5,538	5,760	5,836	5,955	5,915	6,079	6,154	6,128	6,114	3.6%
Real	2014 \$	5,795	6,032	5,959	5,981	6,062	5,915	5,964	5,888	5,735	5,608	-3.0%
<b>Secondary education expenses</b>												
Nominal	\$	6,777	7,015	7,273	7,458	7,723	7,812	8,107	8,277	8,259	8,306	5.7%
Real	2014 \$	7,504	7,641	7,525	7,643	7,861	7,812	7,954	7,919	7,730	7,619	-1.1%
<b>Other combined primary and secondary expenses</b>												
Nominal	\$	734	746	756	778	790	811	822	828	828	833	2.2%
Real	2014 \$	813	813	783	797	804	811	806	793	775	764	-4.4%
<b>Tertiary education expenses</b>												
Nominal	\$	18,550	17,829	16,593	15,440	18,173	16,667	17,742	17,846	18,113	18,219	8.7%
Real	2014 \$	20,540	19,418	17,166	15,824	18,497	16,667	17,407	17,075	16,952	16,712	1.7%

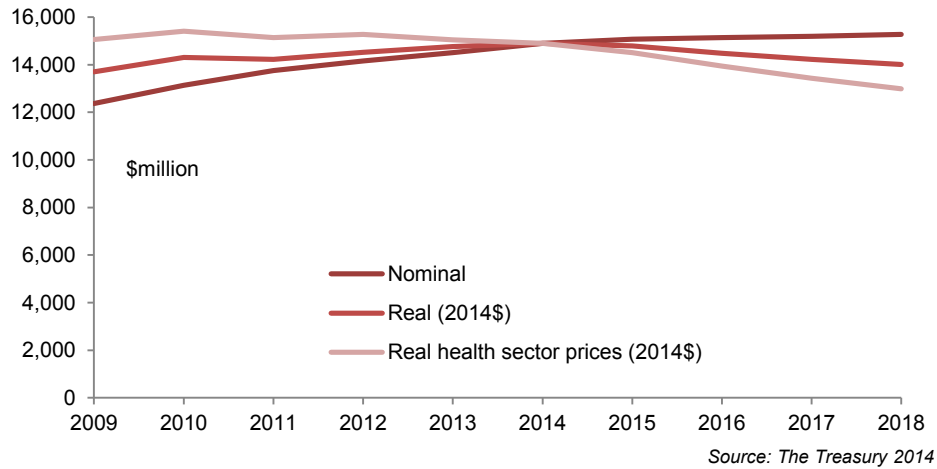
### Core crown expenses



### Core crown expenses as a % of nominal GDP



### Health expenses



### Health expenses as a % of nominal GDP

