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19 JAN 2010

NZSIS

22 November 2001

The Minister in Charge of the New Zealand
Security Intelligence Service
WELLINGTON

NZSIS BUDGET PROPOSALS POST 11 SEPTEMBER

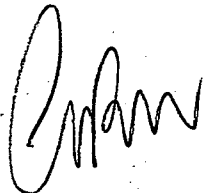
On 12 November I showed you the requests for Service baseline increases I proposed to submit to ODESC for consideration as part of the overall government response to the events of 11 September.

2. ODESC is not normally consulted on the Service budget except for the Foreign Intelligence output. (Normally the Service budget is considered only by the CEO of your Department and Treasury who advise you and the Minister of Finance.) On this occasion however, when ODESC was considering post 11 September proposals from several agencies in order to give coordinated advice to the Cabinet Policy Committee, I agreed that it would be appropriate for the Service proposals to be considered as part of the package.

3. I did not however wish ODESC to consider proposals for substantial increases in the Service baseline without knowing that you were generally comfortable with them. Hence our meeting on 12 November. Time and circumstances did not permit you to examine the proposals in detail, but you confirmed that you were generally comfortable with the scale of the proposed increases in staff numbers and in the Service baseline.

4. Attached for your information is a copy of the memorandum I then submitted to the Chairman of ODESC. It sets out the situation as I see it, including the reasons for the increases sought. It was discussed by ODESC on 20 November and the Chairman will no doubt report to you accordingly.

5. I would be happy to discuss the proposals with you in more detail than was possible on 12 November, if you wish.



E R Woods
Director of Security

Attch

DISPATCHED

23 NOV 2001

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