

The Treasury

Budget 2017 Information Release

Release Document July 2017

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[1]	to prevent prejudice to the security or defence of New Zealand or the international relations of the government	6(a)
[4]	to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	6(c)
[11]	to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.	6(e)(vi)
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[31]	to maintain the current constitutional conventions protecting collective and individual ministerial responsibility	9(2)(f)(ii)
[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
[34]	to maintain the effective conduct of public affairs through the free and frank expression of opinions	9(2)(g)(i)
[36]	to maintain legal professional privilege	9(2)(h)
[37]	to enable the Crown to carry out commercial activities without disadvantages or prejudice	9(2)(i)
[38]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
[39]	to prevent the disclosure of official information for improper gain or improper advantage	9(2)(k)
[40]	Not in scope	

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2017: Vote Environment

On 18 April 2017, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2017 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
9771	Domestic Emissions Reductions	-	1.000	1.000	1.000	1.000
9770	National Policy Statement on Urban Development Capacity: Implementation	-	1.469	0.911	0.695	0.572
9736	Marine Protection: Advancing Regional Processes	-	0.250	-	-	-
10067	Te Mana O Te Wai - Restoring the Life-Giving Capacity of Fresh Water	-	1.000	-	-	-
Total Operating		-	3.719	1.911	1.695	1.572

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2016/17 Supplementary Estimates, the 2017/18 Estimates and the fiscal forecasts;

- 4 **noted** that all communications relating to the 2017 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Michael Webster
Secretary of the Cabinet

Hard-copy distribution:

Prime Minister
Minister for Climate Change Issues
Minister of Finance
Minister for the Environment

Vote: Environment

Title: Domestic Emissions Reductions

Description: This funding will deliver costed, tested and consulted policy options for reducing emissions domestically to contribute towards New Zealand's 2030 Nationally Determined Contribution under the Paris Agreement.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	1.000	1.000	1.000	1.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	1.000	1.000	1.000

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Climate Change					
Departmental Output Expense:					
Domestic Climate Change Programme Policy Advice (funded by revenue Crown)	-	1.000	1.000	1.000	1.000
Total Operating	-	1.000	1.000	1.000	1.000

Additional Recommendations

- 5 **noted** that the Minister for Climate Change Issues will provide advice to Cabinet by 30 July 2017 on the detailed work programme for the 'Domestic Emissions Reductions' programme, including its relationship with the review of the Emissions Trading Scheme (ETS);
- 6 **noted** that the Minister for Climate Change Issues will provide advice to Cabinet by 30 September 2018 on a proposal for how New Zealand should meet its 2030 Nationally Determined Contribution under the Paris Agreement, incorporating the advice of the technical working groups on adaptation, forestry and biological emissions, and the conclusions of both the ETS Review and the Productivity Commission inquiry into the transition to a lower net emission economy;

Vote: Environment

Title: National Policy Statement on Urban Development Capacity: Implementation

Description: This funding will support the implementation on the National Policy Statement for Urban Development Capacity 2016.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	1.469	0.911	0.695	0.572
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.469	0.911	0.695	0.572

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Improving Environmental Management					
Departmental Output Expense:					
Resource Management Implementation (funded by revenue Crown)	-	1.469	0.911	0.695	0.572
Total Operating	-	1.469	0.911	0.695	0.572

Additional Recommendation

7 **noted** that the total amount of funding for this initiative is \$4.900 million over four years, and the remaining \$1.253 million is included in Vote Building and Construction, Initiative 9588;

Vote: Environment

Title: Marine Protection: Advancing Regional Processes

Description: This funding will commence the engagement processes to consider establishing two recreational fishing parks in Hauraki and Marlborough.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	0.250	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.250	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Improving Environmental Management					
Departmental Output Expense:					
Marine Environment Policy Advice (funded by revenue Crown)	-	0.250	-	-	-
Total Operating	-	0.250	-	-	-

Additional Recommendation

- 8 **noted** that the total amount of funding for this initiative is \$1.500 million in the 2017/18 year, and the remaining \$1.250 million is included in Vote Conservation, Initiative 9609 and in Vote Primary Industries and Food Safety, Initiative 9716;

Initiative No: 10067

Vote: Environment

Title: Te Mana O Te Wai - Restoring the Life-Giving Capacity of Fresh Water

Description: This funding will enable activities to reduce nitrogen levels to improve water quality. Planned activities include fencing, riparian buffers, nitrate inhibitors, and artificial or constructed wetlands. Riparian planting will also create a better environment for life within New Zealand's water.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	1.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Non-Departmental Output Expense:					
Te Mana o Te Wai – Restoring the Life-Giving Capacity of Fresh Water		1.000			
Total Operating	-	1.000	-	-	-