

The Treasury

Budget 2017 Information Release

Release Document July 2017

www.treasury.govt.nz/publications/informationreleases/budget/2017

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

[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)
[23]	to protect the privacy of natural persons, including deceased people	9(2)(a)
[25]	to protect the commercial position of the person who supplied the information or who is the subject of the information	9(2)(b)(ii)
[26]	to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	9(2)(ba)(i)
[27]	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information - would be likely otherwise to damage the public interest	9(2)(ba)(ii)
[29]	to avoid prejudice to the substantial economic interests of New Zealand	9(2)(d)
[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 Primary Industries

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
9751	Biosecurity 2025 – Protecting to Grow New Zealand	-	4.916	4.815	4.315	4.315
9767	Boosting Primary Industry and Food Export Value	-	7.286	8.794	9.625	9.625
9756	Future of Our Fisheries	-	6.222	7.325	8.231	8.700
9722	Irrigation Scheme Development – Grant Funding	-	9.162	15.500	2.000	-
9716	Marine Protection and Development	-	0.500	-	-	-
[33]						
Total Operating		-	31.186	39.534	24.171	22.640

Capital Initiative (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
9725	Investment in the Construction of Regional Irrigation Infrastructure	-	63.000	-	-	-
Total Capital		-	63.000	-	-	-

- 2 **agreed** to establish a new appropriation where required to implement the “Investment in the Construction of Regional Irrigation Infrastructure” initiative, as described in the attached initiative document;

- 3 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 5 **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;
- 6 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in the minute under CAB-17-MIN-0185.20 to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 7 **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 of Finance
Minister for Primary Industries

Vote: Primary Industries and Food Safety

Title: Biosecurity 2025 – Protecting to Grow New Zealand

Description: This funding will futureproof the biosecurity system by strengthening our ability to manage biosecurity risk off-shore so fewer pests and diseases make it to New Zealand, engaging all citizens and businesses to play a part in biosecurity on-shore and driving more rapid uptake of innovative technology to improve risk management.

Appropriation Changes

	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	4.916	4.815	4.315	4.315
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.916	4.815	4.315	4.315

	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Border and Domestic Biosecurity Risk Management					
Departmental Output Expenses:					
Border Biosecurity Monitoring and Clearance (funded by revenue Crown)	-	2.916	2.815	2.316	2.316
Border Biosecurity Systems Development and Maintenance (funded by revenue Crown)	-	2.000	2.000	1.999	1.999
Total Operating	-	4.916	4.815	4.315	4.315

Vote: Primary Industries and Food Safety

Title: Boosting Primary Industry and Food Export Value

Description: This funding will enable the acceleration of work on priority non-tariff barriers and maintain New Zealand's existing trade interests, support for primary sector exporters to navigate international regulatory requirements, and strengthen information and analysis to help primary sector exporters identify and act on market opportunities.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	7.286	8.794	9.625	9.625
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	7.286	8.794	9.625	9.625

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Development and Implementation of Primary Industries Policy Advice					
Departmental Output Expenses:					
Agriculture and Forestry Policy Advice (funded by revenue Crown)	-	1.877	2.560	2.560	2.560
Trade and Market Access Primary Industries (funded by revenue Crown)	-	2.688	3.688	4.139	4.139
Food Safety					
Departmental Output Expense:					
Information (funded by revenue Crown)	-	2.721	2.546	2.926	2.926
Total Operating	-	7.286	8.794	9.625	9.625

Vote: Primary Industries and Food Safety

Title: Future of Our Fisheries

Description: This funding will upgrade and modernise the fisheries management system, to maximise the benefits of shared sustainable fisheries through the introduction of electronic monitoring of commercial fishers (IEMRS) and remove barriers to innovation.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	6.222	7.325	8.231	8.700
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.222	7.325	8.231	8.700

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Development and Implementation of Primary Industries Policy Advice					
Departmental Output Expenses:					
Fisheries Policy Advice (funded by revenue Crown)	-	2.350	2.300	1.975	1.725
Operational Advice on Sustainability and Management Controls in Fisheries (funded by revenue Crown)	-	2.950	4.085	5.095	5.805
Sustainable Economic Development and Trade					
Departmental Output Expenses:					
Fisheries Enforcement and Monitoring (funded by revenue Crown)	-	0.192	0.260	0.370	0.375
Fisheries Management (funded by revenue Crown)	-	0.730	0.680	0.791	0.795
Total Operating	-	6.222	7.325	8.231	8.700

Vote: Primary Industries and Food Safety

Title: Irrigation Scheme Development – Grant Funding

Description: This funding will be used to provide matched grant funding to regional scale irrigation schemes, to support schemes to meet the costs of progressing through the phases of development and ultimately reach construction.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	9.162	15.500	2.000	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	9.162	15.500	2.000	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Non-Departmental Other Expense:					
Water Storage and Irrigation Investment Proposals (MYA)	-	9.162	15.500	2.000	-
Total Operating	-	9.162	15.500	2.000	-

Additional Recommendations

- 8 **noted** the Multi Year Appropriation: "Water Storage and Irrigation Investment Proposals" is adjusted by \$26.662 million;
- 9 **noted** that amounts shown in the appropriations changes table for the Multi Year Appropriation: "Water Storage and Irrigation Investment Proposals" is the change to the indicative annual spending profile;

- Vote:** Primary Industries and Food Safety
- Title:** Investment in the Construction of Regional Irrigation Infrastructure
- Description:** This will continue the government support for the construction of regional irrigation infrastructure through investment in the construction of regional scale irrigation infrastructure.

New Appropriation Approval

Name	Period	Type	Category Name	Scope
Crown Irrigation Investments Limited	Multi-Year Appropriation Start: 1/07/2017 Finish: 30/06/2021 Amount (\$m): 63.000	Non-Departmental Capital Expenditure	N/A	This appropriation is limited to the Crown's investment in Crown Irrigation Investments Limited.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	63.000	-	-	-
No Impact	-	-	-	-	-
Total	-	63.000	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Non-Departmental Capital Expenditure:					
Crown Irrigation Investments Limited (MYA)	-	63.000	-	-	-
Total Capital	-	63.000	-	-	-

Additional Recommendations

- 10 **noted** the Multi Year Appropriation: "Crown Irrigation Investments Limited" is adjusted by \$63.000 million;
- 11 **noted** that amounts shown in the appropriations changes table for the Multi Year Appropriation: "Crown Irrigation Investments Limited" is the change to the indicative annual spending profile;

Vote: Primary Industries and Food Safety

Title: Marine Protection and Development

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	-	0.500	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.500	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Sustainable Economic Development and Trade					
Departmental Output Expense:					
Fisheries Management (funded by revenue Crown)	-	0.500	-	-	-
Total Operating	-	0.500	-	-	-

Additional Recommendation

12 **noted** that the total amount of funding for this initiative is \$1.500 million in the 2017/18 year, and the remaining \$1.000 million is included in Initiative 9609 in Vote Conservation and Initiative 9736 in Vote Environment;

[33]