

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)
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[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 Conservation

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
9595	Battle for Our Birds 2017	21.316	-	-	-	-
9609	Marine Protection: Advancing Regional Processes	-	0.750	-	-	-
[33]						
9594	Tourism Infrastructure – Maintenance	-	5.418	7.103	10.624	9.987
10055	Tourism Growth Initiative – New Walks	-	1.712	2.126	3.436	4.238
Total Operating		21.316	8.080	9.429	14.060	14.225

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)						
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
9594	Tourism Infrastructure – Maintenance	-	5.344	1.044	6.294	8.334	4.084	-
10055	Tourism Growth Initiative – New Walks	-	0.700	2.320	2.970	4.300	5.650	-
Total Capital		-	6.044	3.364	9.264	12.634	9.734	-

- 2 **approved** changes to appropriations and the capital injections to the administering department to implement the initiatives, as set out in the attached initiative documents;
- 3 **agreed** that the changes to appropriations for 2016/17 above be included in the 2016/17 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 4 **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;

- 5 **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 Tourism
Minister of Finance
Minister of Conservation

Vote: Conservation

Title: Battle for Our Birds 2017

Description: This funding will provide additional pest control in regions where the populations of possums, rats and stoats are expected to spike due to climatic changes (mast year).

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	21.316	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	21.316	-	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expense:					
Management of Natural Heritage (funded by revenue Crown)	21.316	-	-	-	-
Total Operating	21.316	-	-	-	-

Vote: Conservation

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	-	0.750	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.750	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expense:					
Management of Natural Heritage (funded by revenue Crown)	-	0.750	-	-	-
Total Operating	-	0.750	-	-	-

Additional Recommendation

- 6 **noted** that the total amount of funding for this initiative is \$1.500 million in the 2017/18 year, and the remaining \$0.750 million is included in Vote Environment, Initiative 9736 and in Vote Primary Industries and Food Safety, Initiative 9716;

Vote: Conservation

Title: Tourism Infrastructure – Maintenance

Description: This funding will increase maintenance of road and tourism infrastructure at New Zealand's most popular locations and invest in new tourism infrastructure in Northland.

Appropriation Changes

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Operating Balance Impact	-	5.418	7.103	10.624	9.987	9.987	9.987
Debt Impact	-	5.344	1.044	6.294	8.334	4.084	-
No Impact	-	-	-	-	-	-	-
Total	-	10.762	8.147	16.918	18.321	14.071	9.987

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Departmental Output Expense:							
Management of Recreational Opportunities (funded by revenue Crown)	-	5.418	7.103	10.624	9.987	9.987	9.987
Capital Injection:							
Department of Conservation - Capital Injection	-	5.344	1.044	6.294	8.334	4.084	-
Total Operating	-	5.418	7.103	10.624	9.987	9.987	9.987
Total Capital	-	5.344	1.044	6.294	8.334	4.084	-

Initiative No: 10055

Vote: Conservation

Title: Tourism Growth Initiative – New Walks

Description: This funding will improve 20 existing short walks and 10 existing day walks in popular locations around New Zealand to bring them into the Great Walks network and create two new Great Walks in locations to be determined.

Appropriation Changes

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Operating Balance Impact	-	1.712	2.126	3.436	4.238	4.238	4.238
Debt Impact	-	0.700	2.320	2.970	4.300	5.650	-
No Impact	-	-	-	-	-	-	-
Total	-	2.412	4.446	6.506	8.538	9.888	4.238

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Departmental Output Expense:							
Management of Recreational Opportunities (funded by revenue Crown)	-	1.712	2.126	3.436	4.238	4.238	4.238
Capital Injection:							
Department of Conservation - Capital Injection	-	0.700	2.320	2.970	4.300	5.650	-
Total Operating	-	1.712	2.126	3.436	4.238	4.238	4.238
Total Capital	-	0.700	2.320	2.970	4.300	5.650	-

Additional Recommendations

- 8 **agreed** that any expenditure on this initiative requires the joint approval of the Minister of Finance and Minister of Conservation (joint Ministers) on the basis of both the completed Tourism Strategy and, for each new site, a business case that is satisfactory to them;
- 9 **directed** the Department of Conservation to report the completed Tourism Strategy back to Joint Ministers by the end of 2017.