

# The Treasury

## Budget 2017 Information Release

### Release Document July 2017

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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 Business, Science & Innovation

On 18 April 2017, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2017 Budget package,
- 1 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	2021/22 & Outyears
9518	Electricity Authority – Electricity Litigation Fund	-	-	-	-	-	-
9517	Security of New Zealand’s Electricity Supply	-	-	-	-	-	-
9569	Space Agency – New Functions	-	3.750	3.750	3.750	3.750	3.750
9672	G2G Partnerships Office (G2G Knowhow) – Rollover Funding	-	2.000	2.000	-	-	-
9637	Financial Capability in New Zealand	-	1.640	2.840	2.840	2.840	2.840
9575	Multinational Corporation Research and Development Attraction Programme	-	2.000	2.000	2.000	-	-
9565	New Zealand Business Number	-	3.200	3.200	-	-	-
9587	New Zealand Screen Production Grant – International	18.000	80.778	80.778	30.222	30.222	-
9568	Research and Development Growth Grants: Meeting Rising Demand	-	8.222	15.720	23.553	27.153	27.153
9562	R9 Accelerator	-	2.850	2.850	-	-	-
9714	Regional Growth Programme	-	4.800	4.800	-	-	-
9573	Antarctic Science Platform - Strategic Science Investment Fund	-	-	7.000	7.000	7.000	7.000
9708	Hazards Response Capability - Strategic Science Investment Fund	-	3.000	4.500	6.000	6.000	6.000
9519	Electricity Authority – System	-	-	-	-	-	-

	Operator Service Enhancement						
9578	Endeavour Fund	-	4.264	17.648	17.719	42.284	42.284
9847	Tourism Infrastructure Fund	-	14.449	16.935	14.598	14.500	-
10068	Major Events Development Fund	-	-	-	-	-	-
<b>Total Operating</b>		<b>18.000</b>	<b>130.953</b>	<b>164.021</b>	<b>107.682</b>	<b>133.749</b>	<b>89.027</b>

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 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 **agreed** that the change to appropriations for 2016/17 above be included in the 2016/17 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 6 **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;
- 7 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in the minute under CAB-17-MIN-0185.03 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;
- 8 **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

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**Hard-copy distribution:**

Prime Minister  
Minister of Tourism  
Minister of Finance  
Minister for Economic Development  
Minister of Energy and Resources  
Minister of Science and Innovation  
Minister of Commerce and Consumer Affairs

**Initiative No: 9518**

**Vote:** Business, Science and Innovation

**Title:** Electricity Authority – Electricity Litigation Fund

**Description:** This funding will enable the Electricity Authority to be an effective regulator and participate in litigation when required.

**Appropriation Changes**

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	0.556	-	-	-
<b>Total</b>	-	<b>0.556</b>	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Non-Departmental Other Expense:</b>					
Energy and Resources: Electricity Litigation Fund	-	0.556	-	-	-
<b>Total Operating</b>	-	<b>0.556</b>	-	-	-

**Additional Recommendation**

9 **noted** that this initiative will be fully funded by the Electricity Levy;

**Vote:** Business, Science and Innovation

**Title:** Security of New Zealand's Electricity Supply

**Description:** This funding supports the Electricity Authority's management of emergency events relating to the security of New Zealand's electricity supply.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Energy and Resources: Managing the Security of New Zealand's Electricity Supply 2017-2022 MYA	Other Start: 1/07/2017 Finish: 30/06/2022 Amount (\$m): 6.000	Non-Departmental Output Expense	N/A	This appropriation is limited to the management of emergency events by the System Operator, if required, including increased monitoring and management responsibilities in the event of an emerging security situation, and planning and running an emergency conservation campaign.

### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Balance Impact	-	-	-	-	-	-
Debt Impact	-	-	-	-	-	-
No Impact	-	1.200	1.200	1.200	1.200	1.200
<b>Total</b>	-	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Non-Departmental Output Expense:</b>						
Energy and Resources: Managing the Security of New Zealand's Electricity Supply 2017-2022 MYA	-	1.200	1.200	1.200	1.200	1.200
<b>Total Operating</b>	-	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>	<b>1.200</b>

### Additional Recommendations

- 10 **noted** that this initiative will be fully funded by the Electricity Levy;
- 11 **noted** that the amounts shown in the Appropriations Changes table for the Multi-Year Appropriation: "Energy and Resources: Managing the Security of New Zealand's Electricity Supply 2017-2022 MYA" is the indicative annual spending profile;

**Vote:** Business, Science and Innovation

**Title:** Space Agency – New Functions

**Description:** This funding will enable the Ministry of Business, Innovation and Employment to respond to the opportunities for economic growth the emerging space sector offers. It will assist with the departmental costs associated with the Ministry of Business, Innovation and Employment's new functions as lead space agency.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	3.750	3.750	3.750	3.750
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>3.750</b>	<b>3.750</b>	<b>3.750</b>	<b>3.750</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Policy Advice and Related Outputs					
<b>Departmental Output Expense:</b>					
Policy Advice – Economic Development (funded by revenue Crown)	-	3.750	3.750	3.750	3.750
<b>Total Operating</b>	-	<b>3.750</b>	<b>3.750</b>	<b>3.750</b>	<b>3.750</b>

**Vote:** Business, Science and Innovation

**Title:** G2G Partnerships Office (G2G Knowhow) – Rollover Funding

**Description:** This funding will deliver new business to New Zealand by growing commercial ventures with other governments, leveraging off respected New Zealand government and private sector knowhow.

### Appropriation Changes

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

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Support the Growth and Development of New Zealand Firms, Sectors and Regions					
<b>Non-Departmental Output Expense:</b>					
Collaborative Activity and Special Events	-	2.000	2.000	-	-
<b>Total Operating</b>	-	<b>2.000</b>	<b>2.000</b>	-	-

**Vote:** Business, Science and Innovation

**Title:** Financial Capability in New Zealand

**Description:** This funding will extend the reach of financial education in schools and vulnerable communities, improving financial capability in New Zealand and reducing the systemic costs of poor financial decisions.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	1.640	2.840	2.840	2.840
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.640</b>	<b>2.840</b>	<b>2.840</b>	<b>2.840</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Non-Departmental Output Expense:</b>					
Commerce and Consumer Affairs: Retirement Commissioner	-	1.640	2.840	2.840	2.840
<b>Total Operating</b>	-	<b>1.640</b>	<b>2.840</b>	<b>2.840</b>	<b>2.840</b>



**Vote:** Business, Science and Innovation

**Title:** Multinational Corporation Research and Development Attraction Programme

**Description:** This funding will enable an expansion of the Multinational Corporation Research and Development Attraction Programme, so that it can deliver on its goal of attracting 10 multinational companies' research and development facilities to New Zealand by 2020.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Science and Innovation: Contract Management	Annual	Multi-Category Expenses and Capital Expenditure	N/A	The single overarching purpose of this appropriation is to manage the allocation of funds for science, research and technology, to manage the related contracts and to evaluate the science and innovation outputs and impacts.
			Science and Innovation Contract Management	This category is limited to contract management, planning, fund allocation, monitoring, and evaluating science and innovation outputs and impacts.
			Research Contract Management	This category is limited to the selection of organisations and/or individuals to either provide research, science and technology related outputs, or manage and award research, science and technology grants; and to negotiate, manage and monitor appropriate contracts related to those outputs or awards.
			Multi National Corporation Research and Development Attraction	This category is limited to the development and delivery of information and programmes to attract Research and Development activities and facilities of multinational companies to New Zealand.

### Appropriation Changes

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

Sm - increase/(decrease)

	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Science and Innovation: Contract Management					
<b>Departmental Output Expense:</b>					
Multi National Corporation Research and Development Attraction (funded by revenue Crown)	-	2.000	2.000	2.000	-
<b>Total Operating</b>	-	<b>2.000</b>	<b>2.000</b>	<b>2.000</b>	-

**Vote:** Business, Science and Innovation

**Title:** New Zealand Business Number

**Description:** This funding will accelerate the adoption of the New Zealand Business Number by businesses and its implementation by agencies to reduce the costs for business of interacting with government.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	3.200	3.200	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>3.200</b>	<b>3.200</b>	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Departmental Output Expense:</b>					
Commerce and Consumer Affairs: Registration and Provision of Statutory Information (funded by revenue Crown)	-	3.200	3.200	-	-
<b>Total Operating</b>	-	<b>3.200</b>	<b>3.200</b>	-	-

**Vote:** Business, Science and Innovation

**Title:** New Zealand Screen Production Grant – International

**Description:** This funding will allow New Zealand to meet its grant obligations under existing eligibility criteria.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Economic Development: New Zealand Screen Production Grant-International MYA 2017-2021	Multi-Year Appropriation Start: 1/07/2017 Finish: 30/06/2021 Amount (\$m): 321.112	Non-Departmental Other Expense	N/A	This appropriation is limited to providing grant assistance to screen productions that are internationally focused and produced in New Zealand.

### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	18.000	80.778	80.778	30.222	30.222	-
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	50.556	50.556	-
<b>Total</b>	<b>18.000</b>	<b>80.778</b>	<b>80.778</b>	<b>80.778</b>	<b>80.778</b>	-

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Non-Departmental Other Expenses:</b>						
Economic Development: Large Budget Screen Production	-	-	-	(50.556)	(50.556)	-
New Zealand Screen Production Grant – International (MYA)	18.000	-	-	-	-	-
Economic Development: New Zealand Screen Production Grant – International MYA 2017/2021	-	80.778	80.778	80.778	80.778	-
<b>Total Operating</b>	<b>18.000</b>	<b>80.778</b>	<b>80.778</b>	<b>30.222</b>	<b>30.222</b>	-

**Additional Recommendations**

- 12** **agreed** to revoke with effect from the close of 30 June 2017 the Multi-Year Appropriation "New Zealand Screen Production Grant – International";
- 13** **noted** the new Multi-Year Appropriation "Economic Development: New Zealand Screen Production Grant- International MYA 2017-2021", starting on 1 July 2017 and finishing on 30 June 2021, will supersede the current Multi-Year Appropriation "New Zealand Screen Production Grant – International", which now finishes on 30 June 2017 (previously 30 June 2019);
- 14** **agreed** to transfer \$50.556 million to Economic Development: New Zealand Screen Production Grant- International MYA 2017/2021, from the Non-Departmental Other Expense: Economic Development: Large Budget Screen Production annual appropriation for 2019/20 and 2020/21 only, with no impact on the operating balance or debt;
- 15** **noted** that the current Multi-Year Appropriation "New Zealand Screen Production Grant – International" is adjusted by \$18.000 million;
- 16** **noted** the new Multi-Year Appropriation "Economic Development: New Zealand Screen Production Grant- International MYA 2017-2021" is adjusted by \$321.112 million;
- 17** **noted** that amount shown in the appropriation changes table for the Multi-Year Appropriation: "Economic Development: New Zealand Screen Production Grant- International MYA 2017-2021" is the change to the indicative annual spending profile;
- 18** **noted** that amount shown in the appropriations changes table for the Multi-Year Appropriation: "New Zealand Screen Production Grant – International" is the change to the indicative annual spending profile;
- 19** **agreed** in principle that any funding in the current Multi-Year Appropriation "New Zealand Screen Production Grant – International" that remains unspent at 30 June 2017 be transferred to the new Multi-Year Appropriation "Economic Development: New Zealand Screen Production Grant- International MYA 2017/2021", subject to confirmation of final amount for transfer by the Appropriation Minister and the Minister of Finance following completion of the Ministry of Business, Innovation and Employment's 2016/17 audited financial statements;

**Vote:** Business, Science and Innovation

**Title:** Research and Development Growth Grants: Meeting Rising Demand

**Description:** This funding responds to rising demand for business research and development growth grants as investment by businesses in research and development grows in response to the incentive programmes. Growth grants aim to provide a rules-based, market-led incentive for increasing research and development investment by businesses.

### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	8.222	15.720	23.553	27.153	27.153
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
<b>Total</b>	-	<b>8.222</b>	<b>15.720</b>	<b>23.553</b>	<b>27.153</b>	<b>27.153</b>

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Non-Departmental Output Expense:</b>						
Research and Development Growth Grants (MYA)	-	8.222	15.720	23.553	27.153	27.153
<b>Total Operating</b>	-	<b>8.222</b>	<b>15.720</b>	<b>23.553</b>	<b>27.153</b>	<b>27.153</b>

### Additional Recommendations

- 20 **noted** the Multi-Year Appropriation: "Research and Development Growth Grants" is adjusted by \$101.801 million;
- 21 **noted** that amount shown in the appropriations changes table for the Multi-Year Appropriation: "Research and Development Growth Grants" is the change to the indicative annual spending profile;

**Vote:** Business, Science and Innovation

**Title:** R9 Accelerator

**Description:** This funding will continue the existing Accelerator Programme, which supports the rapid formation of early-stage information technology and digital start-ups. The programme provides mentors, business assistance, pitch training, technical assistance and access to investor networks, in support of the participating firms.

### Appropriation Changes

	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	2.850	2.850	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.850</b>	<b>2.850</b>	-	-

	\$m - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Departmental Output Expense:</b>					
Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business (funded by revenue Crown)	-	2.850	2.850	-	-
<b>Total Operating</b>	-	<b>2.850</b>	<b>2.850</b>	-	-

## Initiative No: 9714

**Vote:** Business, Science and Innovation

**Title:** Regional Growth Programme

**Description:** This funding will enable greater and quicker progress to be made on regional initiatives arising from Economic Action Plans in a number of regions including Bay of Plenty, Northland, Manawatu-Wanganui, the East Coast/Hawke's Bay, Southland, and the West Coast.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	4.800	4.800	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.800</b>	<b>4.800</b>	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Policy Advice and Related Outputs					
<b>Departmental Output Expense:</b>					
Policy Advice – Economic Development (funded by revenue Crown)	-	4.800	4.800	-	-
<b>Total Operating</b>	-	<b>4.800</b>	<b>4.800</b>	-	-

### Additional Recommendation

22 **noted** that funding for this initiative is also provided through Vote Conservation, Initiative 10048 and Vote Primary Industries and Food Safety, Initiative 9761;



Initiative No: 9573

**Vote:** Business, Science and Innovation

**Title:** Antarctic Science Platform - Strategic Science Investment Fund

**Description:** This funding will increase investment in the Strategic Science Investment Fund. This will meet new science needs in the Ross Sea Marine Protected Area and deliver on the Antarctica and Southern Ocean Science Strategy 2010-2020.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	-	7.000	7.000	7.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Science and Innovation: Strategic Science Investment Fund					
<b>Non-Departmental Output Expense:</b>					
Strategic Science Investment Fund - Programmes	-	-	7.000	7.000	7.000
<b>Total Operating</b>	-	-	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>

**Vote:** Business, Science and Innovation

**Title:** Hazards Response Capability - Strategic Science Investment Fund

**Description:** This funding will enable agencies to support the implementation of enhancements to New Zealand's earthquake, tsunami and volcano monitoring and warning capability, and develop the new models and tools needed to improve the reliability and resolution of hazards warnings. This will include research to characterise geological processes and risks and development of related technologies and networks.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	3.000	4.500	6.000	6.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>3.000</b>	<b>4.500</b>	<b>6.000</b>	<b>6.000</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>					
Science and Innovation: Strategic Science Investment Fund					
<b>Non-Departmental Output Expense:</b>					
Strategic Science Investment Fund - Infrastructure	-	3.000	4.500	6.000	6.000
<b>Total Operating</b>	-	<b>3.000</b>	<b>4.500</b>	<b>6.000</b>	<b>6.000</b>

## Initiative No: 9519

**Vote:** Business, Science and Innovation

**Title:** Electricity Authority – System Operator Service Enhancement

**Description:** This funding will enable the Electricity Authority to effectively perform its function as an independent regulator, including the consideration of proposed service enhancement.

### Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	0.333	0.999	0.999
<b>Total</b>	-	-	<b>0.333</b>	<b>0.999</b>	<b>0.999</b>

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
<b>Non-Departmental Output Expense:</b>					
Energy and Resources: Electricity Industry Governance and Market Operations	-	-	0.333	0.999	0.999
<b>Total Operating</b>	-	-	<b>0.333</b>	<b>0.999</b>	<b>0.999</b>

### Additional Recommendation

23 **noted** that this initiative will be fully funded by the Electricity Levy;

**Vote:** Business, Science and Innovation

**Title:** Endeavour Fund

**Description:** The Endeavour Fund invests in excellent science that has potential impact for New Zealand, economically, environmentally and socially. Further investment in the Fund will help deliver the aims of the National Statement of Science Investments.

### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	4.264	17.648	17.719	42.284	-
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
<b>Total</b>	-	<b>4.264</b>	<b>17.648</b>	<b>17.719</b>	<b>42.284</b>	-

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears	2021/22 & Outyears
<b>Non-Departmental Output Expense:</b>						
Science and Innovation: Contestable Research Fund	-	4.264	17.648	17.719	42.284	-
<b>Total Operating</b>	-	<b>4.264</b>	<b>17.648</b>	<b>17.719</b>	<b>42.284</b>	-

**Vote:** Business, Science and Innovation

**Title:** Tourism Infrastructure Fund

**Description:** This funding will meet increased needs for new or enhanced tourism infrastructure to support economic growth in regional New Zealand.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Economic Development: Tourism Infrastructure Fund	Annual	Non-Departmental Other Expense	N/A	The appropriation is limited to supporting communities to respond to tourism-related pressures on existing infrastructure.

### Appropriation Changes

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	14.449	16.935	14.598	14.500	-
Debt Impact	-	-	-	-	-	-
No Impact	-	11.051	8.565	10.902	11.000	-
<b>Total</b>	-	<b>25.500</b>	<b>25.500</b>	<b>25.500</b>	<b>25.500</b>	-

	\$m - increase/(decrease)					
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure</b>						
Tourism Facilities						
<b>Non-Departmental Output Expense:</b>						
Tourism Growth Partnership	-	(8.051)	(5.565)	(7.902)	(8.000)	-
<b>Non-Departmental Other Expense:</b>						
Tourism Facilities Development Grants	-	(3.000)	(3.000)	(3.000)	(3.000)	-
<b>Non-Departmental Other Expense:</b>						
Tourism Infrastructure Fund	-	25.500	25.500	25.500	25.500	-
<b>Total Operating</b>	-	<b>14.449</b>	<b>16.935</b>	<b>14.598</b>	<b>14.500</b>	-

### Additional Recommendation

24 **directed** Ministry of Business, Innovation and Employment officials to conduct a review of the effectiveness of the Tourism Infrastructure Fund and evaluate whether the funding mechanism remains appropriate or if an alternative approach would better achieve the desired outcomes and report to Cabinet in 2019/20;

**Vote:** Business, Science and Innovation

**Title:** Major Events Development Fund

**Description:** This funding will allow New Zealand to attract, retain, grow and enhance major events that generate significant immediate and long-term benefits.

### New Appropriation Approval

Name	Period	Type	Category Name	Scope
Economic Development: Major Events Development Fund MYA 2017-2022	Multi-Year Appropriation Start: 1/07/2017 Finish: 30/06/2022 Amount (\$m): 52.000	Non-Departmental Other Expense	N/A	This appropriation is limited to support for major events that provide economic, social, cultural and international profiling benefits to New Zealand.

### Appropriation Changes

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Operating Balance Impact	-	-	-	-	-	-	-
Debt Impact	-	-	-	-	-	-	-
No Impact	-	13.000	9.500	9.500	10.000	10.000	-
<b>Total</b>	-	<b>13.000</b>	<b>9.500</b>	<b>9.500</b>	<b>10.000</b>	<b>10.000</b>	-

	\$m - increase/(decrease)						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
<b>Non-Departmental Other Expenses:</b>							
Economic Development: Major Events Development Fund	-	(13.000)	(9.500)	(9.500)	(10.000)	(10.000)	-
Economic Development: Major Events Development Fund MYA 2017/2022	-	13.000	9.500	9.500	10.000	10.000	-
<b>Total Operating</b>	-	-	-	-	-	-	-

### Additional Recommendations

- 25 **agreed** to transfer \$13.000 million in 2017/18, \$9.500 million in 2018/19 and 2019/20, and \$10.000 million in 2020/21 and 2021/22 respectively to the new Multi-Year Appropriation "Economic Development: Major Events Development Fund MYA 2017-2022", from the Economic Development: Major Events Development Fund annual appropriation, with no impact on the operating balance or debt;
- 26 **agreed** that the amount of the new Multi-Year Appropriation "Economic Development: Major Events Development Fund MYA 2017-2022" is \$52.000 million;

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- 27 **noted** that amount shown in the appropriations changes table for the Multi-Year

Appropriation: "Economic Development: Major Events Development Fund MYA 2017-2022" is the change to the indicative annual spending profile;

- 28 **agreed** in principle that any funding in annual appropriation "Economic Development: Major Events Development Fund" that remains unspent at 30 June 2017 be transferred to the new Multi-Year Appropriation "Economic Development: Economic Development: Major Events Development Fund MYA 2017/2022", subject to confirmation of final amount for transfer by the Appropriation Minister and the Minister of Finance following completion of the Ministry of Business, Innovation and Employment's 2016/17 audited financial statements.