

The Treasury

Budget 2018 Information Release

Release Document August 2018

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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)
[2]	to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government	6(b)(i)
[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)
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[38]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
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[40]	not in scope	
[41]	that the making available of the information requested would be contrary to the provisions of a specified enactment	18(c)(i)
[42]	information is already publicly available or will be publicly available soon	18(d)

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.

2018 Budget Technical Financial Recommendations: Vote Business, Science & Innovation

On 3 April 2018, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2018 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)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10557	Catalyst Fund Expense Transfer	(2.400)	(3.800)	1.900	3.150	1.150
10503	Contribution to the Completion of the Hundertwasser with Wairau Māori Art Gallery	(3.000)	3.000	-	-	-
10471	Effects of Foreign Exchange Movements on Output Prices	0.284	0.653	0.653	0.653	0.653
10521	E-Invoicing	1.265	-	-	-	-
10470	Funding from Weathertight Services	-	1.500	1.500	1.500	1.500
10506	Innovative Partnerships	-	-	-	-	-
10526	New Zealand Cycle Trail Great Rides	(1.500)	1.500	-	-	-
10504	Regional Growth Programme Policy Advice Correction	-	-	-	-	-
10531	Regional Growth Initiatives	-	-	-	-	-
10551	Research, Science and Innovation: National Science Challenges	(67.000)	-	33.500	33.500	-
10553	Research, Science and Innovation: Strategic Investment Fund - Infrastructure	(7.000)	7.000	-	-	-
10552	Research, Science and Innovation: Talent and Science Promotion - Fellowships for Excellence	(1.000)	1.000	-	-	-
10474	Science Strategic Investment Fund - Programmes	0.170	(0.170)	-	-	-

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10473	The Maori Innovation Fund	-	(2.000)	(2.000)	(2.000)	(2.000)
10533	Tourism Infrastructure Fund	(20.000)	20.000	-	-	-
Total Operating		(100.181)	28.683	35.553	36.803	1.303

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10613	Establishment of a Replacement Multi-Year Appropriation for Broadband Investment	-	-	-	-	-
Total Capital		-	-	-	-	-

- 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 proposed changes to appropriations for 2017/18 above be included in the 2017/18 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 6 **noted** that initiative 10557 (Catalyst Fund Expense Transfer) does not have an ongoing outyear impact;
- 7 **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 2017/18 Supplementary Estimates, the 2018/19 Estimates and the fiscal forecasts;
- 8 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute 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;

- 9 **noted** that all communications relating to the 2018 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
Deputy Prime Minister
Minister of Finance
Minister of Tourism
Minister of Research, Science and Innovation
Minister for Economic Development
Minister of Broadcasting, Communications and Digital Media
Minister of Commerce and Consumer Affairs
Minister for Regional Economic Development

Vote: Business, Science and Innovation

Title: Scope Changes

Description: This initiative provides for revised scope statements to various appropriations, with effect from 1 July 2018.

Additional recommendations

10 **approved** the following scope statements changes, with effect from 1 July 2018;

Initiative No:	Appropriation	Current scope	New Scope	Reason
10610	Consumer and Commerce Affairs: Market Study Enquiries	This appropriation is limited to market study inquiries undertaken by the Commerce Commission in accordance with Part 1 of the Commerce Act 1986.	This appropriation is limited to preparing for and carrying out competition studies by the Commerce Commission in accordance with the Commerce Act 1986.	To ensure consistency with terminology in the proposed Commerce Amendment Bill.
10559	Economic Development: Management Development Fund	This appropriation is limited to assistance to address the management capability gap in New Zealand, through the commissioning of research, stimulation of business interest and supply of management development services.	This appropriation is limited to improving management capability in New Zealand, through the commissioning of research, stimulation of business interest and supply of management development services.	To make the scope statement more concise.
10562	Public Sector Procurement and Services to Business	This appropriation is limited to improving and leading the public sector procurement reform programme and reducing the costs for and improving the service experience of businesses interacting with government.	This appropriation is limited to functional leadership of procurement across the public sector and reducing the costs for and improving the service experience of businesses interacting with government.	To reflect more of a defined boundary but does not limit the types of activity that could occur within this appropriation.

Vote: Business, Science and Innovation

Title: Amendment to Appropriation Title

Description: This initiative provides for a revised appropriation title, with effect from 1 July 2018.

Additional recommendations

11 **approved** the following appropriation title change, with effect from 1 July 2018;

Initiative No:	Appropriation	Current appropriation title	New Appropriation title	Reason for change
10610	Market Study Enquiries.	Commerce and Consumer Affairs: Market Study Enquiries.	Commerce and Consumer Affairs: Competition Studies.	To ensure consistency with terminology in the proposed Commerce Amendment Bill.

Vote: Business, Science and Innovation

Title: Catalyst Fund Expense Transfer

Description: Uncontrollable and unavoidable delays in negotiating joint investment programmes and processes with international partners mean that this funding cannot be invested this financial year as planned. These delays have flow-on effects as to timing of expenditure in outyears. The transfers are designed to manage the overall appropriation profile to match investment plans with partner countries.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22
Operating Balance Impact	(2.400)	(3.800)	1.900	3.150	1.150
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(2.400)	(3.800)	1.900	3.150	1.150

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22
Non-Departmental Other Expense:					
Science and Innovation: Catalyst Fund	(2.400)	(3.800)	1.900	3.150	1.150
Total Operating	(2.400)	(3.800)	1.900	3.150	1.150

Vote: Business, Science and Innovation

Title: Contribution to the Completion of the Hundertwasser with Wairau Māori Art Gallery

Description: Due to delays, the Trust of the Hundertwasser Art Centre with Wairau Māori Art Gallery has yet to meet the contractual milestone conditions for the release of the Government's contribution. Accordingly a transfer from 2017/18 to 2018/19 is sought in the expectation that the requirements for the release of the first tranche of funding will not be met before 30 June 2018.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(3.000)	3.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(3.000)	3.000	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Tourism Facilities (MCA)					
<i>Non-Departmental Other Expense:</i>					
Tourism Facilities Development Grants	(3.000)	3.000	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Tourism Facilities (MCA)	(3.000)	3.000	-	-	-
Total Operating	(3.000)	3.000	-	-	-

Vote: Business, Science and Innovation

Title: Effects of Foreign Exchange Movements on Output Prices

Description: New Zealand Trade and Enterprise (NZTE) is required to adjust its baseline to reflect the movements in foreign exchange rates and local inflation in offshore locations, in line with the adjustment agreed by Cabinet [CAB (03) Min 13/5A refers]. These adjustments are to reflect the latest in foreign exchange adjustment changes as provided by NZTE.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	0.284	0.653	0.653	0.653	0.653
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.284	0.653	0.653	0.653	0.653

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Support the Growth and Development of New Zealand Firms, Sectors and Regions (MCA)					
<i>Non-Departmental Output Expenses:</i>					
International Business Growth Services	0.284	0.653	0.653	0.653	0.653
Total Multi-Category Expenses and Capital Expenditure: Support the Growth and Development of New Zealand Firms, Sectors and Regions (MCA)	0.284	0.653	0.653	0.653	0.653
Total Operating	0.284	0.653	0.653	0.653	0.653

Vote: Business, Science and Innovation

Title: E-Invoicing

Description: In January 2018, the Digital Leaders Group approved \$1.100 million of funding from the GCDO Innovation Fund for the 2017/18 cost of E-invoicing. E-invoicing will deliver an interoperable framework allowing New Zealand businesses to digitally transact across the entire procure-to-pay lifecycle using their NZ Business Number (NZBN). \$0.165 million was transferred from appropriation “Commerce and Consumer Affairs: Registration and Provision of Statutory Information” to appropriation “Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business” giving a total of \$1.265 million.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Departmental Output Expense:					
Economic Development: Implementation of Improvements in Public Sector Procurement and Services to Business (funded by revenue Dept)	1.265	-	-	-	-
Total Operating	1.265	-	-	-	-

12 **noted** that there is no corresponding decrease in other Votes as the increase in Vote Business, Science and Innovation is being funded through revenue department;

Initiative No: 10470

Vote: Business, Science and Innovation

Title: Reprioritisation of Weathertight Services Funding

Description: Transfer of funding from the Weathertight Services appropriation in the Building and Construction portfolio in Vote Building and Housing, to ensure policy advice is adequately resourced to deliver on the Government's communications priorities, including the digital work programme in the Broadcasting, Communications and Digital Media portfolio. This initiative will also address a policy advice structural deficit and provide funding to maintain New Zealand's core commercial regulatory systems in the Commerce and Consumer Affairs portfolio.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	1.500	1.500	1.500	1.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.500	1.500	1.500	1.500

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Policy Advice and Related Outputs (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice - Commerce and Consumer Affairs (funded by revenue Crown)	-	0.700	0.700	0.700	0.700
Policy Advice - Communications (funded by revenue Crown)	-	0.800	0.800	0.800	0.800
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Outputs (MCA)	-	1.500	1.500	1.500	1.500
Total Operating	-	1.500	1.500	1.500	1.500

Additional recommendation

13 noted there is a corresponding decrease of the equivalent amount for this initiative in Vote Building and Housing (initiative 10476) meaning this is a fiscally neutral adjustment between Votes;

Initiative No: 10506

Vote: Business, Science and Innovation

Title: Innovative Partnerships

Description: To convert the existing International Corporation Research and Development Attraction category within the Science and Innovation: Contract Management Multi-Category Appropriation (MCA) to a new annual appropriation "Research, Science and Innovation: Innovative Partnerships". This is to improve the alignment of the categories within the Contract Management MCA. Transfers from the relevant category of the MCA to the new appropriation are required for 2017/18 to 2019/20 to complete its establishment.

New appropriation approval

Name	Period	Type	Category Name	Scope
Research, Science and Innovation: Innovative Partnerships	Annual	Departmental Output Expenses	N/A	This appropriation is limited to the development and delivery of information and programmes to attract Research and Development activities and facilities of international firms to New Zealand.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Departmental Output Expense:					
Research, Science and Innovation: Innovative Partnerships (funded by revenue Crown)	0.940	2.000	2.000	-	-
Multi-Category Expenses and Capital Expenditure:					
Science and Innovation: Contract Management (MCA)					
<i>Departmental Output Expense:</i>					
Multi National Corporation R&D Attraction (funded by revenue Crown)	(0.940)	(2.000)	(2.000)	-	-
Total Multi-Category Expenses and Capital Expenditure: Science and Innovation: Contract Management (MCA)	(0.940)	(2.000)	(2.000)	-	-
Total Operating	-	-	-	-	-

Vote: Business, Science and Innovation

Title: New Zealand Cycle Trail Great Rides

Description: To ensure availability of funding for remaining New Zealand Cycle Trail (NZCT) Great Rides business cases. As fewer business cases than expected have been progressed to approval stage in the current financial year, a transfer of funds is sought into 2018/19 to enable this funding to be spent once the remaining business cases are ready.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(1.500)	1.500	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(1.500)	1.500	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Tourism Facilities (MCA)					
<i>Non-Departmental Other Expense:</i>					
National Cycleway Fund – Development and Extension of Ngā Haereinga, The New Zealand Cycle Trail	(1.500)	1.500	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Tourism Facilities (MCA)	(1.500)	1.500	-	-	-
Total Operating	(1.500)	1.500	-	-	-

Vote: Business, Science and Innovation

Title: Regional Growth Programme Policy Advice Correction

Description: On 19 February 2018, Cabinet agreed to transfer an entire year of funding from the Policy Advice – Economic Development to the Regional Economic Development appropriation [CAB-18-MIN-0045 refers]. This change is to correct the appropriation levels to account for spend incurred in the year to date as part of the Regional Growth Programme, funded in Policy Advice – Economic Development. The level of funding that remains in the Regional Economic Development appropriation will fund activities that occur starting from the establishment of the new appropriation.

Appropriation changes impact table

	Sm - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Departmental Output Expense:					
Regional Economic Development: Regional Economic Development Programme (funded by revenue Crown)	(1.430)	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Policy Advice and Related Outputs (MCA)					
<i>Departmental Output Expense:</i>					
Policy Advice – Economic Development (funded by revenue Crown)	3.440	-	-	-	-
Regional Economic Development: Provincial Growth Fund (MCA)					
<i>Non-Departmental Other Expense:</i>					
Regional Projects and Capability	(2.010)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Regional Economic Development: Provincial Growth Fund (MCA)	(2.010)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Policy Advice and Related Outputs (MCA)	3.440	-	-	-	-
Total Operating	-	-	-	-	-

Initiative No: 10531

Vote: Business, Science and Innovation

Title: Regional Growth Initiatives

Description: This initiative is to transfer unallocated funding for 2018/19 from the Economic Development: Regional Growth Initiatives multi-year appropriation to the Regional Economic Development portfolio.

Appropriation changes impact table

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Other Expense:					
Economic Development: Regional Growth Initiatives (2016 - 2021) (MYA)	-	(7.705)	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Regional Economic Development: Provincial Growth Fund (MCA)					
<i>Non-Departmental Other Expenses:</i>					
Regional Projects and Capability	-	7.705	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Regional Economic Development: Provincial Growth Fund (MCA)	-	7.705	-	-	-
Total Operating	-	-	-	-	-

Additional recommendations

- 14** agreed the Multi-Year Appropriation: "Economic Development: Regional Growth Initiatives (2016 - 2021)" is decreased by \$7.705 million;
- 15** agreed the "Regional Projects and Capability" category of the Multi-Category Appropriation: "Regional Economic Development: Provincial Growth Fund" is increased by \$7.705 million in 2018/19;

Initiative No: 10551

- Vote:** Business, Science and Innovation
- Title:** Research, Science and Innovation: National Science Challenges (NSC)
Underspend
- Description:** This initiative provides for a transfer from the previous NSC multi-year appropriation (MYA) into the NSC annual appropriation, due to slower than expected establishment of the National Science Challenges (NSCs) programme.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(67.000)	-	33.500	33.500	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(67.000)	-	33.500	33.500	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Output Expenses:					
National Science Challenges	-	-	33.500	33.500	-
National Science Challenges (MYA)	(67.000)	-	-	-	-
Total Operating	(67.000)	-	33.500	33.500	-

Additional recommendations

- 16** **agreed** the multi-year appropriation: "National Science Challenges" is adjusted by \$67.000 million;
- 17** **noted** that amounts shown in the appropriations changes table for the Multi-Year Appropriation: "National Science Challenges" is the change to the indicative annual spending profile;

Vote: Business, Science and Innovation

Title: Research, Science and Innovation: Strategic Science Investment Fund - Infrastructure

Description: This transfer recognises uncertainties and enables the Ministry of Business, Innovation and Employment to make investment decisions on established initiatives such as the Geohazards Monitoring Platform and the Square Kilometre Array project.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(7.000)	7.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(7.000)	7.000	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Science and Innovation: Strategic Science Investment Fund (MCA)					
<i>Non-Departmental Output Expense:</i>					
Strategic Science Investment Fund - Infrastructure	(7.000)	7.000	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Science and Innovation: Strategic Science Investment Fund (MCA)	(7.000)	7.000	-	-	-
Total Operating	(7.000)	7.000	-	-	-

Initiative No: 10552

- Vote:** Business, Science and Innovation
- Title:** Research, Science and Innovation: Talent and Science Promotion - Fellowships for Excellence
- Description:** Transfer of funds from 2017/18 to 2018/19 to cover an increase in Fellowship funding. This will ensure alignment with international award conditions and allow New Zealand to maintain the current number of awards across Fellowship programmes.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(1.000)	1.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(1.000)	1.000	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Science and Innovation: Talent and Science Promotion (MCA)					
<i>Non-Departmental Output Expense:</i>					
Fellowships for Excellence	(1.000)	1.000	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Science and Innovation: Talent and Science Promotion (MCA)	(1.000)	1.000	-	-	-
Total Operating	(1.000)	1.000	-	-	-

Initiative No: 10474

Vote: Business, Science and Innovation

Title: Science Strategic Investment Fund - Programmes

Description: This is to transfer funding from 2018/19 to enable the Ministry of Business, Innovation and Employment to pay Antarctica New Zealand from March 2018 to do the planning around the Antarctica platform.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	0.170	(0.170)	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.170	(0.170)	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Science and Innovation: Strategic Science Investment Fund (MCA)					
<i>Non-Departmental Output Expense:</i>					
Strategic Science Investment Fund - Programmes	0.170	(0.170)	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Science and Innovation: Strategic Science Investment Fund (MCA)	0.170	(0.170)	-	-	-
Total Operating	0.170	(0.170)	-	-	-

Initiative No: 10473

Vote: Business, Science and Innovation

Title: The Māori Innovation Fund

Description: The initial funding for the Māori Innovation Fund of \$2.0 million per year was approved to run from 2014/15 to 2017/18. An adjustment is required to remove this funding from the baseline in 2018/19 and in outyears.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	(2.000)	(2.000)	(2.000)	(2.000)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(2.000)	(2.000)	(2.000)	(2.000)

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Other Expense:					
Economic Development: Māori Innovation Fund	-	(2.000)	(2.000)	(2.000)	(2.000)
Total Operating	-	(2.000)	(2.000)	(2.000)	(2.000)

Vote: Business, Science and Innovation

Title: Tourism Infrastructure Fund

Description: This initiative is to transfer funding from 2017/18 to 2018/19 to reflect that Round One funding has not been spent and Round Two funding has been delayed due to Local Government’s timing of release of their long-term plans.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	(20.000)	20.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(20.000)	20.000	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Other Expense:					
Tourism Infrastructure Fund	(20.000)	20.000	-	-	-
Total Operating	(20.000)	20.000	-	-	-

Initiative No: 10613

Vote: Business, Science and Innovation

Title: Establishment of a Replacement Multi-Year Appropriation for Broadband Investment

Description: This initiative is to disestablish the "Broadband Investment (Crown Fibre Holdings Capital Costs (UFB2)) 2016-2021" and "Communications: Broadband Investment (Crown Fibre Holdings Capital Costs) 2016-2021" multi-year appropriations as a result of the change in the name of the "Crown Fibre Holdings Ltd" company to "Crown Infrastructure Partners". A new multi-year appropriation (MYA) will replace these two, with the amount to be funded by a transfer of the unspent balances of the two disestablished MYAs. This initiative also reflects the agreement between the Prime Minister and Portfolio Ministers that appropriations related to Ultra-Fast Broadband, the Rural Broadband Initiative and the Mobile Black Spot Fund will now be under the responsibility of the Minister for Infrastructure.

New appropriation approval

Name	Period	Type	Category Name	Scope
Infrastructure: Broadband Investment	Other Start: 1/04/2018 Finish: 30/06/2021 Amount (\$m): 582.500	Non-Departmental Capital Expenditure	N/A	This appropriation is limited to on going investment funding for Crown Infrastructure Partners to implement the government's broadband investment commitment.

Appropriation changes impact table

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Capital Expenditure:					
Broadband Investment (Crown Fibre Holdings Capital Costs (UFB2)) 2016-2021 MYA (MYA)	(10.000)	(60.000)	(62.000)	(78.000)	-
Communications: Broadband Investment (Crown Fibre Holdings Capital Costs) 2016-2021 (MYA)	(90.000)	(185.000)	(97.500)	-	-
Infrastructure: Broadband Investment (MYA)	100.000	245.000	159.500	78.000	-
Total Capital	-	-	-	-	-

Additional recommendations

- 18** **agreed** to the disestablishment of the "Broadband Investment (Crown Fibre Holdings Capital Costs (UFB2)) 2016 2021 MYA" and "Communications: Broadband Investment (Crown Fibre Holdings Capital Costs) 2016-2021 MYA";
- 19** **agreed** to a fiscally neutral transfer from the disestablished multi-year appropriations to fund the new Multi-Year Appropriation "Infrastructure: Broadband Investment";
- 20** **agreed** the Multi-Year Appropriation: "Communications: Broadband Investment (Crown Fibre Holdings Capital Costs) 2016-2021" is adjusted by \$(372.500) million;
- 21** **agreed** the Multi-Year Appropriation: "Broadband Investment (Crown Fibre Holdings Capital Costs (UFB2)) 2016-2021 MYA" is adjusted by \$(210.000) million;
- 22** **noted** that the amounts shown in the Appropriations Changes table for all three Multi-Year Appropriations are the change to the indicative annual spending profile;
- 23** **agreed** that the Minister for Infrastructure be the appropriation Minister for the following Multi-Year Appropriations:
- 23.1 "Infrastructure: Broadband Investment"; and
- 23.2 "Communications: Telecommunications Development Levy Funded Procurement – Telecommunications Infrastructure Investment";
- 24** **agreed** the title of the Multi-Year Appropriation "Communications: Telecommunications Development Levy Funded Procurement – Telecommunications Infrastructure Investment" be changed to "Infrastructure: Telecommunications Development Levy Funded Procurement – Telecommunications Infrastructure Investment";

Initiative No: 10614

Vote: Business, Science and Innovation

Title: Levy Funding for the Energy Efficiency and Conservation Appropriation

Description: A request for an increase in the appropriation reflecting an increase in outputs resulting in greater than expected revenue.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Tax Revenue:					
Energy Safety Levies (Electricity and Gas)	-	1.000	1.000	1.000	1.000
Non-Departmental Output Expenses:					
Energy and Resources: Energy Efficiency and Conservation	-	1.000	1.000	1.000	1.000
Total Operating	-	-	-	-	-

Additional recommendation

25 noted that the Minister of Energy and Resources retains the discretion to increase EECA's levy funding up to \$17.519 million per annum in the future.