

# The Treasury

## Budget 2018 Information Release

### Release Document August 2018

<https://treasury.govt.nz/publications/information-release/budget-2018-information-release>

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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)
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[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
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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 Primary Industries and Food Safety

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
10537	Wilding Conifers	4.917	(0.917)	(4.000)	-	-
<b>Total Operating</b>		<b>4.917</b>	<b>(0.917)</b>	<b>(4.000)</b>	-	-

##### Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
10534	Crown Irrigation Investments Limited	(20.000)	20.000	-	-	-
<b>Total Capital</b>		<b>(20.000)</b>	<b>20.000</b>	-	-	-

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 4 **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;

- 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 2017/18 Supplementary Estimates, the 2018/19 Estimates and the fiscal forecasts;
- 6 **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;
- 7 **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

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**Hard-copy distribution:**

Prime Minister  
Deputy Prime Minister  
Minister of Finance  
Minister of Fisheries  
Minister of Agriculture

**Vote:** Primary Industries and Food Safety

**Title:** Adjustments to Realign Appropriations

**Description:** This initiative seeks to realign amounts of appropriations in line with the Ministry's work programme.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Agriculture: Grants and Programmes (MCA)					
<i>Departmental Output Expenses:</i>					
Administration of Grants and Programmes (funded by revenue Crown)	-	4.000	4.000	4.000	4.000
Total Multi-Category Expenses and Capital Expenditure: Agriculture: Grants and Programmes (MCA)	-	4.000	4.000	4.000	4.000
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Border Biosecurity Monitoring and Clearance (funded by revenue Crown)	-	(1.000)	(1.000)	(1.000)	(1.000)
Domestic Biosecurity Surveillance (funded by revenue Crown)	-	1.000	1.000	1.000	1.000
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	-	-	-	-	-
Development and Implementation of Food Safety Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Implementation of Policy Advice (funded by revenue Crown)	-	(3.100)	(3.100)	(3.100)	(3.100)
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Food Safety Policy Advice (MCA)	-	(3.100)	(3.100)	(3.100)	(3.100)
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Biosecurity Policy Advice (funded by revenue Crown)	-	1.600	1.600	1.600	1.600

Fisheries Policy Advice (funded by revenue Crown)	-	4.000	4.000	4.000	4.000
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Initiative No: 10543

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Implementation of Agriculture and Forestry Policy Advice (funded by revenue Crown)	-	(2.000)	(2.000)	(2.000)	(2.000)
Operational Advice on Sustainability and Management Controls in Fisheries (funded by revenue Crown)	(0.500)	(4.000)	(4.000)	(4.000)	(4.000)
Trade and Market Access Primary Industries (funded by revenue Crown)	-	2.000	2.000	2.000	2.000
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Primary Industries Policy Advice (MCA)	(0.500)	1.600	1.600	1.600	1.600
Food Safety (MCA)					
<i>Departmental Output Expenses:</i>					
Food Safety: Assurance (funded by revenue Crown)	-	(1.500)	(1.500)	(1.500)	(1.500)
Food Safety: Standards (funded by revenue Crown)	-	(1.500)	(1.500)	(1.500)	(1.500)
Food Safety: Trade and Market Access Food Safety (funded by revenue Crown)	-	(1.000)	(1.000)	(1.000)	(1.000)
Total Multi-Category Expenses and Capital Expenditure: Food Safety (MCA)	-	(4.000)	(4.000)	(4.000)	(4.000)
Sustainable Economic Development and Trade (MCA)					
<i>Departmental Output Expenses:</i>					
Fisheries Management (funded by revenue Crown)	0.500	1.500	1.500	1.500	1.500
Total Multi-Category Expenses and Capital Expenditure: Sustainable Economic Development and Trade (MCA)	0.500	1.500	1.500	1.500	1.500
<b>Total Operating</b>	-	-	-	-	-

**Vote:** Primary Industries and Food Safety

**Title:** Border Clearance Levy

**Description:** This initiative seeks to increase the appropriation in order to improve the protection of New Zealand to biosecurity threats by enabling more targeted interventions, particularly by frontline officers, and engaging new technology to speed up baggage clearance. These changes reflect forecasted additional revenue that is expected to be collected.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	7.950	13.720	12.800	12.810
<b>Total</b>	-	<b>7.950</b>	<b>13.720</b>	<b>12.800</b>	<b>12.810</b>

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Border Biosecurity Monitoring and Clearance (funded by revenue Other)	-	7.950	13.720	12.800	12.810
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	-	7.950	13.720	12.800	12.810
<b>Total Operating</b>	-	<b>7.950</b>	<b>13.720</b>	<b>12.800</b>	<b>12.810</b>

## Initiative No: 10534

**Vote:** Primary Industries and Food Safety

**Title:** Crown Irrigation Investments Limited

**Description:** This initiative seeks a capital transfer from Crown Irrigation Investments Limited MYA 1 to Crown Irrigation Investments Limited MYA 2 expiring on 30 June 2021.

### Appropriation changes

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

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Non-Departmental Capital Expenditure:</b>					
Crown Irrigation Investments Limited (MYA)	(20.000)	-	-	-	-
Crown Irrigation Investments Limited (MYA)	-	20.000	-	-	-
<b>Total Capital</b>	<b>(20.000)</b>	<b>20.000</b>	-	-	-

### Additional recommendations

- 8 **agreed** that the balance of the unspent appropriation for the Crown Irrigation Investments Limited multi-year appropriation expiring on 30 June 2018, be added to the corresponding multi-year appropriation expiring on 30 June 2021;
- 9 **agreed** the multi-year appropriation: "Crown Irrigation Investments Limited" expiring on 30 June 2018 is reduced by \$20.000 million
- 10 **agreed** the Multi-Year Appropriation: "Crown Irrigation Investments Limited" expiring on 30 June 2021 is increased by \$20.000 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;

## Initiative No: 10542

- Vote:** Primary Industries and Food Safety
- Title:** Establishment of Business Units within the Ministry for Primary Industries
- Description:** This initiative seeks to realign appropriations with ministerial portfolios and the Ministry's business units.

## Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Administration and Management of Crown Forestry Assets and Operations (MCA)					
<i>Departmental Output Expenses:</i>					
Administration and Management of Crown Forestry Assets (funded by revenue Crown)	0.016	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Administration and Management of Crown Forestry Assets and Operations (MCA)	0.016	-	-	-	-
Agriculture: Grants and Programmes (MCA)					
<i>Departmental Output Expenses:</i>					
Administration of Grants and Programmes (funded by revenue Crown)	0.181	0.019	0.019	0.019	0.019
Total Multi-Category Expenses and Capital Expenditure: Agriculture: Grants and Programmes (MCA)	0.181	0.019	0.019	0.019	0.019
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Biosecurity Incursion Response and Long Term Pest Management (funded by revenue Crown)	(4.948)	(2.192)	(2.192)	(2.192)	(2.192)
Border Biosecurity Monitoring and Clearance (funded by revenue Crown)	0.405	-	-	-	-
Border Biosecurity Systems Development and Maintenance (funded by revenue Crown)	0.157	-	-	-	-



Domestic Biosecurity Surveillance (funded by revenue Crown)	0.513	0.053	0.053	0.053	0.053
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## Initiative No: 10542

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	(3.873)	(2.139)	(2.139)	(2.139)	(2.139)
Development and Implementation of Food Safety Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Development of Policy Advice (funded by revenue Crown)	0.052	-	-	-	-
Implementation of Policy Advice (funded by revenue Crown)	0.027	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Food Safety Policy Advice (MCA)	0.079	-	-	-	-
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Agriculture and Forestry Policy Advice (funded by revenue Crown)	0.333	0.035	0.035	0.035	0.035
Biosecurity Policy Advice (funded by revenue Crown)	0.051	-	-	-	-
Fisheries Policy Advice (funded by revenue Crown)	0.118	-	-	-	-
Implementation of Agriculture and Forestry Policy Advice (funded by revenue Crown)	0.811	0.331	0.331	0.331	0.331
Implementation of Biosecurity Policy Advice (funded by revenue Crown)	0.035	-	-	-	-
Implementation of the Emissions Trading Scheme and Indigenous Forestry (funded by revenue Crown)	0.096	-	-	-	-
Operational Advice on Sustainability and Management Controls in Fisheries (funded by revenue Crown)	0.668	1.440	1.440	1.440	1.440
Trade and Market Access Primary Industries	0.196	-	-	-	-

(funded by revenue Crown)					
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Primary Industries Policy Advice (MCA)	2.308	1.806	1.806	1.806	1.806

## Initiative No: 10542

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Food Safety (MCA)					
<i>Departmental Output Expenses:</i>					
Food Safety: Assurance (funded by revenue Crown)	0.073	0.008	0.008	0.008	0.008
Food Safety: Information (funded by revenue Crown)	0.032	0.003	0.003	0.003	0.003
Food Safety: Response (funded by revenue Crown)	0.075	0.008	0.008	0.008	0.008
Food Safety: Standards (funded by revenue Crown)	0.164	-	-	-	-
Food Safety: Trade and Market Access Food Safety (funded by revenue Crown)	0.056	0.006	0.006	0.006	0.006
Total Multi-Category Expenses and Capital Expenditure: Food Safety (MCA)	0.400	0.025	0.025	0.025	0.025
Growth and Development of the Forestry Sector (MCA)					
<i>Departmental Output Expenses:</i>					
Management of the Crown's Forestry Assets (funded by revenue Crown)	-	0.001	0.001	0.001	0.001
Total Multi-Category Expenses and Capital Expenditure: Growth and Development of the Forestry Sector (MCA)	-	0.001	0.001	0.001	0.001
Sustainable Economic Development and Trade (MCA)					
<i>Departmental Output Expenses:</i>					
Animal Welfare Education and Enforcement (funded by revenue Crown)	0.089	0.009	0.009	0.009	0.009
Aquaculture (funded by revenue Crown)	0.049	-	-	-	-
Fisheries Enforcement and Monitoring (funded by revenue Crown)	0.585	0.046	0.046	0.046	0.046
Fisheries Management (funded by revenue Crown)	0.166	0.233	0.233	0.233	0.233
Total Multi-Category Expenses and Capital	0.889	0.288	0.288	0.288	0.288

Expenditure: Sustainable Economic Development and Trade (MCA)					
<b>Total Operating</b>	-	-	-	-	-

## Initiative No: 10535

**Vote:** Primary Industries and Food Safety

**Title:** Fisheries Digital Monitoring

**Description:** This initiative seeks to reprioritise funding to assist the Ministry in its rollout of the digital monitoring programme.

### Appropriation changes

	Sm - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Non-Departmental Other Expenses:</b>					
Primary Growth Partnership (MYA)	-	(1.514)	(1.514)	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Fisheries Policy Advice (funded by revenue Crown)	-	0.188	0.188	-	-
Operational Advice on Sustainability and Management Controls in Fisheries (funded by revenue Crown)	-	1.326	1.326	-	-
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Primary Industries Policy Advice (MCA)	-	1.514	1.514	-	-
<b>Total Operating</b>	-	-	-	-	-

### Additional recommendations

- 12 **agreed** the Multi-Year Appropriation: "Primary Growth Partnership" is reduced by \$3.028 million;
- 13 **noted** that amounts shown in the appropriations changes table for the Multi-Year Appropriation: "Primary Growth Partnership" is the change to the indicative annual spending profile;

## Initiative No: 10615

**Vote:** Primary Industries and Food Safety

**Title:** Management of the Myrtle Rust Disease

**Description:** This initiative seeks to transfer forward \$3.821 million for the myrtle rust response. This funding will align the spending with the activities proposed by the Ministry for addressing the myrtle rust disease.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	(3.821)	3.821	-	-	-
<b>Total</b>	<b>(3.821)</b>	<b>3.821</b>	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Biosecurity Incursion Response and Long Term Pest Management (funded by revenue Crown)	(3.821)	3.821	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	(3.821)	3.821	-	-	-
<b>Total Operating</b>	<b>(3.821)</b>	<b>3.821</b>	-	-	-

**Vote:** Primary Industries and Food Safety

**Title:** Ministry for Primary Industries – Auckland Centre

**Description:** This initiative seeks to realign amounts of appropriations following work on the Auckland Ministry for Primary Industries Centre for the 2017/18 financial year.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	1.195	-	-	-	-
<b>Total</b>	<b>1.195</b>	-	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Border Biosecurity Monitoring and Clearance (funded by revenue Other)	0.963	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	0.963	-	-	-	-
Food Safety (MCA)					
<i>Departmental Output Expenses:</i>					
Food Safety: Assurance (funded by revenue Other)	0.232	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Food Safety (MCA)	0.232	-	-	-	-
<b>Total Operating</b>	<b>1.195</b>	-	-	-	-

### Additional recommendation

14 **noted** that the increase in appropriation is fully offset by increased third party revenue.



Initiative No: 10537

**Vote:** Primary Industries and Food Safety

**Title:** Wilding Conifers

**Description:** This initiative seeks to bring forward \$0.917 million from 2018/19 to 2017/18 and \$4.000 million from 2019/20 to 2017/18 to reduce the spread of Wilding Conifers sooner by bringing forward the programme.

### Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	4.917	(0.917)	(4.000)	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>4.917</b>	<b>(0.917)</b>	<b>(4.000)</b>	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Biosecurity Incursion Response and Long Term Pest Management (funded by revenue Crown)	4.917	(0.917)	(4.000)	-	-
Total Multi-Category Expenses and Capital Expenditure: Border and Domestic Biosecurity Risk Management (MCA)	4.917	(0.917)	(4.000)	-	-
<b>Total Operating</b>	<b>4.917</b>	<b>(0.917)</b>	<b>(4.000)</b>	-	-

### Additional recommendation

15 **noted** the above change does not have an impact beyond 2019/20.