

# The Treasury

## Budget 2018 Information Release

### Release Document August 2018

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

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)
[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)
[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	
[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.



## 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 Package: Vote Customs

On 9 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
10355	Drug Smuggling Networks: Strategic Disruption	-	4.415	9.122	11.753	11.793
10356	Exports: Reducing Overseas Customs Delays for New Zealand Exports	-	0.850	-	-	-
<b>Total Operating</b>		-	<b>5.265</b>	<b>9.122</b>	<b>11.753</b>	<b>11.793</b>

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

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2017/18	2018/19	2019/20	2020/21	2021/22 only
10355	Drug Smuggling Networks: Strategic Disruption	-	2.742	0.658	0.356	0.150
10356	Exports: Reducing Overseas Customs Delays for New Zealand Exports	-	-	-	-	-
<b>Total Capital</b>		-	<b>2.742</b>	<b>0.658</b>	<b>0.356</b>	<b>0.150</b>

- 2 **approved** changes to appropriations and the capital injection to the administering department 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 **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;
- 5 **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 Customs

**Vote:** Customs

**Title:** Drug Smuggling Networks: Strategic Disruption

**Description:** This funding will prevent and reduce the costs of harm caused by consumption of illicit drugs by proactively disrupting smuggling activity offshore, strengthening the security of supply chains and targeting the cross-border flow of criminal proceeds.

### Appropriation changes

	\$m - increase/(decrease)					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
Operating Balance Impact	-	4.415	9.122	11.753	11.793	11.793
Debt Impact	-	2.742	0.658	0.356	0.150	-
No Impact	-	1.770	4.395	5.406	5.519	5.519
<b>Total</b>	-	<b>8.927</b>	<b>14.175</b>	<b>17.515</b>	<b>17.462</b>	<b>17.312</b>

	\$m - increase/(decrease)					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
<b>Departmental Output Expenses:</b>						
Clearance and Enforcement Services Related to Craft (funded by revenue Crown)	-	0.722	1.223	1.750	1.705	1.705
Clearance and Enforcement Services Related to Goods (funded by revenue Crown)	-	2.601	5.682	7.175	7.302	7.302
Clearance and Enforcement Services Related to Passengers and Crew (funded by revenue Other)	-	1.770	4.395	5.406	5.519	5.519
Information and Intelligence Services (funded by revenue Crown)	-	0.700	1.578	1.999	1.936	1.936
International Services and Ministerial Servicing (funded by revenue Crown)	-	0.169	0.200	0.234	0.239	0.239
Policy Advice (funded by revenue Crown)	-	0.057	0.158	0.180	0.184	0.184
Revenue Collection (funded by revenue Crown)	-	0.166	0.281	0.415	0.427	0.427

## Initiative No: 10355

	\$m - increase/(decrease)					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23 & Outyears
<b>Capital Injection:</b>						
New Zealand Customs Service - Capital Injection	-	2.742	0.658	0.356	0.150	-
<b>Total Operating</b>	-	<b>6.185</b>	<b>13.517</b>	<b>17.159</b>	<b>17.312</b>	<b>17.312</b>
<b>Total Capital</b>	-	<b>2.742</b>	<b>0.658</b>	<b>0.356</b>	<b>0.150</b>	-

**Additional recommendations**

- 6 **noted** that the Border Processing Levy (authorised by the Customs and Excise (Border Processing Levy) Order 2015 which came into force on 1 January 2016) provides funding for a range of activities carried out by Customs for the purpose of clearing travellers;
- 7 **agreed** that the departmental output expense appropriation “Clearance and Enforcement Services Related to Passengers and Crew” be funded from the Border Clearance Levy at an average of \$4.522 million per annum.

**Initiative No: 10356****Vote:** Customs**Title:** Exports: Reducing Overseas Customs Delays for New Zealand Exports**Description:** This funding will speed up trans-Tasman trade by streamlining border processes, removing barriers to trade and reducing compliance costs for businesses trading goods, as well as developing capability to exchange electronic mail data between Australia and New Zealand to support e-commerce trade.**Appropriation changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22 &amp; Outyears</b>
Operating Balance Impact	-	0.850	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.850</b>	-	-	-

	<b>\$m - increase/(decrease)</b>				
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22 &amp; Outyears</b>
<b>Departmental Output Expense:</b>					
Clearance and Enforcement Services Related to Goods (funded by revenue Crown)	-	0.850	-	-	-
<b>Total Operating</b>	-	<b>0.850</b>	-	-	-