

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 Environment

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
10600	All of Government Response to PFAS Contamination	0.200	1.500	-	-	-
10199	Building Environmental Integrity in Cooperative Approaches	-	0.742	0.742	0.742	0.742
10601	Climate Change - Resourcing Government Climate Change Priorities	-	1.850	2.325	2.325	2.325
10190	Environmental Protection Authority's Core Statutory Functions	-	4.000	4.000	-	-
10372	Resource Management Act Enforcement Oversight Unit	-	0.580	0.830	0.830	0.830
Total Operating		0.200	8.672	7.897	3.897	3.897

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **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;
- 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 **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;
- 6 **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;
- 7 **agreed** that the initiatives in the following table be set aside as contingency items, and that they be submitted to Cabinet for consideration at a later stage.

Operating Contingency

Initiative Name	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Establishment of an Independent Climate Change Commission	-	1.907	0.300	-	-
Total Operating	-	1.907	0.300	-	-

Capital Contingency

Initiative Name	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Establishment of an Independent Climate Change Commission	-	0.150	-	-	-
Total Capital	-	0.150	-	-	-

Michael Webster
Secretary of the Cabinet

Hard-copy distribution:

Prime Minister
Deputy Prime Minister
Minister of Finance
Minister for the Environment
Minister for Climate Change

Vote: Environment

Title: All of Government Response to PFAS Contamination

Description: This funding will enable the Ministry for the Environment to lead the next, national and All of Government, phase of the investigation into sites contaminated with Per and Poly-Fluorinated Alkly Substances (PFAS), involving consideration of high risk sites that exist within New Zealand, including non-New Zealand Defence Force sites.

Appropriation Changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	0.200	1.500	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.200	1.500	-	-	-

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Output Expense:					
Environmental Protection Authority: Monitoring and Enforcement functions	0.102	0.400	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Mitigating Environmental Hazards and Waste (MCA)					
<i>Departmental Output Expense:</i>					
Environmental Hazards and Waste Policy Advice (funded by revenue Crown)	0.098	1.100	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Mitigating Environmental Hazards and Waste (MCA)	0.098	1.100	-	-	-
Total Operating	0.200	1.500	-	-	-

Initiative No: 10199

Vote: Environment

Title: Building Environmental Integrity in Cooperative Approaches

Description: This funding is to allow the continuation of New Zealand's involvement in international carbon markets. It will allow New Zealand to continue in its leadership role in ensuring that international carbon markets (developed under the Paris Agreement) have environmental integrity. It will also allow the development of high integrity options for New Zealand, should governments choose to (or need to) supplement domestic action with international reductions in the future.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	0.742	0.742	0.742	0.742
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.742	0.742	0.742	0.742

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Climate Change (MCA)					
<i>Departmental Output Expense:</i>					
International Climate Change Programme Policy Advice (funded by revenue Crown)	-	0.742	0.742	0.742	0.742
Total Multi-Category Expenses and Capital Expenditure: Climate Change (MCA)	-	0.742	0.742	0.742	0.742
Total Operating	-	0.742	0.742	0.742	0.742

Initiative No: 10601

Vote: Environment

Title: Climate Change - Resourcing Government Climate Change Priorities

Description: This funding will provide additional resources needed to deliver on the Government's commitments to address climate change, including passing a Zero Carbon Bill, establishing a Climate Change Commission and amending the New Zealand Emissions Trading Scheme (NZ ETS). It will also provide the resources to be able to respond to recommendations of the Climate Change Commission and to ensure the NZ ETS remains fair and accurate for participants.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	1.850	2.325	2.325	2.325
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.850	2.325	2.325	2.325

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Climate Change (MCA)					
<i>Departmental Output Expense:</i>					
Domestic Climate Change Programme	-	1.850	2.325	2.325	2.325
Policy Advice (funded by revenue Crown)					
Total Multi-Category Expenses and Capital Expenditure: Climate Change (MCA)	-	1.850	2.325	2.325	2.325
Total Operating	-	1.850	2.325	2.325	2.325

Initiative No: 10190

Vote: Environment

Title: Environmental Protection Authority's Core Statutory Functions

Description: This funding will enable the Environmental Protection Authority to continue to properly manage the environmental effects of activities in New Zealand's Exclusive Economic Zone and continental shelf.

Appropriation changes

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

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Non-Departmental Output Expenses:					
Environmental Protection Authority: Decision Making functions	-	2.200	2.200	-	-
Environmental Protection Authority: Monitoring and Enforcement functions	-	1.800	1.800	-	-
Total Operating	-	4.000	4.000	-	-

Initiative No: 10372

Vote: Environment

Title: Resource Management Act Enforcement Oversight Unit

Description: This funding is for establishing an enforcement oversight unit to improve the consistency, effectiveness and transparency of council enforcement decisions.

Appropriation changes

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Operating Balance Impact	-	0.580	0.830	0.830	0.830
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.580	0.830	0.830	0.830

	\$m - increase/(decrease)				
	2017/18	2018/19	2019/20	2020/21	2021/22 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Improving Environmental Management (MCA)					
<i>Departmental Output Expense:</i>					
Resource Management Implementation (funded by revenue Crown)	-	0.580	0.830	0.830	0.830
Total Multi-Category Expenses and Capital Expenditure: Improving Environmental Management (MCA)	-	0.580	0.830	0.830	0.830
Total Operating	-	0.580	0.830	0.830	0.830