

The Treasury

Budget 2020 Information Release

June 2020

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Cabinet Document Details

Title: **Cabinet Minute CAB-20-MIN-0219.02: COVID-19: Response and Recovery Fund Foundation Package: Vote Agriculture, Biosecurity, Fisheries and Food Safety**

Date: **11 May 2020**

Creator: Cabinet Office

Information Withheld

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Where this is the case, the relevant sections of the Act that would apply have been identified.

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Key to sections of the Act under which information may have been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(b)(i) - 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
- [4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [11] 6(e)(vi) - to prevent serious damage to 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
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [26] 9(2)(ba)(i) - 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 to prejudice 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
- [27] 9(2)(ba)(ii) - 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

- [29] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] not in scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
- [42] 18(d) - information is already publicly available or will be publicly available soon.

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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.

COVID-19: Response and Recovery Fund Foundation Package: Vote Agriculture, Biosecurity, Fisheries and Food Safety

On 11 May 2020, Cabinet:

- 1 **approved** the attached initiative(s) for the above Vote for inclusion in the COVID-19 Response and Recovery Fund foundation package;
- 2 **agreed** to establish new appropriations where required to implement the attached initiatives;
- 3 **approved** changes to appropriations and/or capital injections to the administering department (where applicable) 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 changes to appropriations and/or capital injections for 2019/20 be included in the Addition to the 2019/20 Supplementary Estimates, and the changes to appropriations and/or capital injections for 2020/21 be included in the 2020/21 Supplementary Estimates, and that, in the interim, the increases 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 Addition to the 2019/20 Supplementary Estimates;
- 7 **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 an in-confidence-until-announcement basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 8 **agreed** that any and all underspends relating to the initiatives agreed in this package be returned to the Centre;
- 9 **noted** that all communications relating to the COVID-19 Response and Recovery Fund and any requests for early announcement must have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

- 10 **agreed** that the contingencies detailed below be a charge against the COVID-19 Response and Recovery Fund;

Operating Contingency

Initiative Name	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
National Wilding Conifer Control Programme to Boost Regional Economies and Employment	-	32.500	32.500	25.000	10.000
Total Operating	-	32.500	32.500	25.000	10.000

- 11 **authorised** the Minister of Finance and the Minister for Biosecurity to jointly draw down the *National Wilding Conifer Control Programme to Boost Regional Economies and Employment* tagged contingency, subject to their satisfaction with an implementation plan;
- 12 **invited** the Minister for Biosecurity to report back to Cabinet during the third year of funding with progress on the *Wilding Conifers Control Programme* and future of the programme;

Capital Contingency

Initiative Name	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Contingency for Replacing Lost Frontline Biosecurity Operations Revenue	-	40.050	-	-	-
Total Capital	-	40.050	-	-	-

- 13 **noted** that the Replacing Lost Frontline Biosecurity Operations Revenue contingency is related to the Replacing Lost Frontline Biosecurity Operations Revenue initiative (12742);
- 14 **noted** that a Cabinet paper regarding border issues relating to COVID-19 is expected in July 2020.

Michael Webster
Secretary of the Cabinet

Initiative No: 12727

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Addressing Primary Sector Workforce Shortfall with Job Transition Support and Improved Public Data

Description: This initiative will address both rising unemployment and the primary sector workforce shortfall linked to reduced availability of migrant and temporary workers. It will do this through a suite of initiatives that will upskill and support newly unemployed New Zealanders to fill current job vacancies, and develop a skills and employment dataset to better plan and implement people capability activities. It supports whole of economy efforts of the Ministry of Social Development, the Ministry of Business, Innovation and Employment, and the Ministry of Education. Success will mean a primary sector workforce that is better positioned to increase the productivity, sustainability and value of our primary sectors, and to support New Zealand's recovery from COVID-19.

New appropriation approval

Name	Period	Type	Category Name	Scope
Implementation of COVID-19 Assistance for Primary Industries	Annual	Departmental Output Expenses	N/A	This appropriation is limited to the implementation and administration of government interventions to address the impact of COVID-19 for Primary Industries.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Balance Impact	-	8.900	4.900	2.900	2.600
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	8.900	4.900	2.900	2.600

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24
Departmental Output Expense:					
Implementation of COVID-19 Assistance for Primary Industries (funded by revenue Crown)	-	6.900	4.100	2.300	2.000
Multi-Category Expenses and Capital Expenditure:					
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expense:</i>					
Agriculture: Policy Advice and Ministerial Servicing (funded by revenue Crown)	-	2.000	0.800	0.600	0.600
Total Operating	-	8.900	4.900	2.900	2.600

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Boosting Economic Activity and Future Growth Across the Horticulture Sector

Description: This initiative will support a strong recovery from COVID-19 by accelerating growth in the horticulture sector. It will enable access to new export markets, protect access to existing export markets, and improve access to plant breeding material so that New Zealand growers can breed new and novel varieties that are in demand by overseas consumers. This initiative will speed up the current timeframes for development of market-ready horticulture products to support employment, export growth, and economic activity.

Appropriation changes

	\$m - increase/(decrease)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	7.618	6.823	8.596	9.502	9.502
Debt Impact	-	0.500	0.500	2.000	3.000	
No Impact	-	-	-	-	-	
Total	-	8.118	7.323	10.596	12.502	9.502

	\$m - increase/(decrease)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injection:						
Ministry for Primary Industries - Capital Injection	-	0.500	0.500	2.000	3.000	-
Multi-Category Expenses and Capital Expenditure:						
Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)						
<i>Departmental Output Expense:</i>						
Border Biosecurity Systems Development and Maintenance (funded by revenue Crown)	-	7.618	6.823	8.596	9.502	9.502
Total Operating	-	7.618	6.823	8.596	9.502	9.502
Total Capital	-	0.500	0.500	2.000	3.000	-

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Containing Wallabies to Protect Agriculture, Forestry and Native Plants, and Boost Regional Economies

Description: This initiative supports regional communities by providing employment and stimulating economic activity across a wide range of goods and services providers, through delivery of a management plan for wallabies. This initiative will enable more effective management of wallabies and reduce their growing impact on agriculture, plantation forestry and native vegetation. It will fund increased aerial and ground based control operations, including fencing to push wallabies back to existing containment/buffer zones in the Bay of Plenty, Waikato, Canterbury and Otago regions. This initiative will enable the national coordination to contain and control wallabies in New Zealand.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	-	4.662	7.701	8.201	6.901
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.662	7.701	8.201	6.901

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expense:</i>					
Biosecurity Incursion Response and Long Term Pest Management (funded by revenue Crown)	-	4.662	7.701	8.201	6.901
Total Operating	-	4.662	7.701	8.201	6.901

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Expanding Animal Wellbeing Support Activities Across New Zealand

Description: This initiative protects animal wellbeing by providing additional resource to support the identification and management of animal welfare issues. This is to address concerns regarding animal welfare associated with the ongoing COVID-19 restrictions and drought. This initiative will increase the number of frontline staff by eight full time equivalents to provide support and coordinate activity throughout New Zealand. Coordinators provide planning, reporting and coordination of animal welfare services through to recovery at a local level, and at the national level coordinate whole-of-supply chain responses across the country.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	-	1.318	1.340	1.362	1.384
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.318	1.340	1.362	1.384

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Agriculture: Programmes Supporting Sustainability (MCA)					
<i>Departmental Output Expense:</i>					
Animal Welfare: Education and Enforcement (funded by revenue Crown)	-	1.318	1.340	1.362	1.384
Total Operating	-	1.318	1.340	1.362	1.384

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Mitigating the Impact of Economic and Social Disruption on Rural and Fishing Communities

Description: This initiative will enable and increase access in rural and fishing communities to support services that will support mental wellbeing and help them recover quickly from the combined impacts of COVID-19 and issues such as drought. The funding will target support to vulnerable groups, and will facilitate community engagement and learning, access to services, and enable primary sector businesses to receive financial and continuity planning advice.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	0.209	8.059	6.792	5.139	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.209	8.059	6.792	5.139	-

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Non-Departmental Other Expenses					
COVID-19 Assistance for Primary Industries	0.095	1.540	1.491	1.495	-
Multi-Category Expenses and Capital Expenditure:					
Agriculture: Programmes Supporting Sustainability (MCA)					
<i>Departmental Output Expense:</i>					
Agriculture: Administration of Grants and Programmes (funded by revenue Crown)	0.054	1.475	0.969	0.524	-
<i>Non-Departmental Output Expense:</i>					
Agriculture: Recovery Assistance	0.060	4.570	3.850	2.630	-
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expense:</i>					
Agriculture: Policy Advice and Ministerial Servicing (funded by revenue Crown)	-	0.474	0.482	0.490	-
Total Operating	0.209	8.059	6.792	5.139	-

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Preventing Food Waste and Supporting Primary Sector Production by Supplying Food to New Zealanders in Need

Description: This initiative addresses acute immediate food production challenges from the drop off in demand through COVID-19 restrictions by maintaining and redirecting products to struggling communities. The initiative will establish a contingency fund to directly purchase products where significant food waste, animal welfare, biosecurity concerns or environmental concerns would otherwise result, and will scale up Fruit in Schools to provide an additional 10,000 fruit and vegetable boxes a week for 10 weeks and enable other food products likely to be wasted to be redirected. It will also fund the development and trial of digital platforms to enable other novel solutions to connect food with consumers.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	4.350	10.550	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	4.350	10.550	-	-	-

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Non-Departmental Other Expense:					
COVID-19 Assistance for Primary Industries	4.350	10.550	-	-	-
Total Operating	4.350	10.550	-	-	-

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Replacement Crown Funding for Non-Recoverable Expenditure to Enable Food Businesses to Operate During COVID-19

Description: This initiative will fund non-recoverable expenditure to enable food businesses to operate. Existing and additional resources are being deployed to help food businesses continue to operate safely under COVID-19 restrictions. These resources have been redeployed from activities that would normally have been cost-recovered directly by users of the service. This has meant a drop in revenue for the Ministry for Primary Industries and a resulting need for additional funding.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	4.500	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	(4.500)	-	-	-	-
Total	-	-	-	-	-

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Food Safety: Protecting Consumers (MCA)					
<i>Departmental Output Expenses:</i>					
Food Safety: Assurance (funded by revenue Crown)	4.500	-	-	-	-
Food Safety: Assurance (funded by revenue Other)	(4.500)	-	-	-	-
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Title: Replacing Lost Frontline Biosecurity Operations Revenue

Description: This initiative will fund existing border biosecurity operations that are usually funded through passenger and cargo levies, as COVID-19 restrictions have eliminated passenger revenue and reduced cargo and freight revenue. Replacement funding will enable the Ministry for Primary Industries to pay existing salaries and other necessary operating costs (e.g. scanning equipment leases) in the short to medium term. This will ensure New Zealand can manage biosecurity risks at the border.

Appropriation changes

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	40.050	-	-	-
No Impact	-	-	-	-	-
Total	-	40.050	-	-	-

	\$m - increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Capital Injection:					
Ministry for Primary Industries - Capital Injection	-	40.050	-	-	-
Total Operating	-	-	-	-	-
Total Capital	-	40.050	-	-	-

6 **noted** that the remainder of this initiative is to be held in a tagged contingency.