

The Treasury

Budget 2022 Information Release

August 2022

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- [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
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- [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] Out of Scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
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2022 Budget Package: Vote Transport

Appropriation Administrator: Ministry of Transport

It is recommended that the relevant Appropriation Minister and the Minister of Finance jointly:

- note** that Cabinet has approved the Budget initiatives for the above Vote for inclusion in the 2022 Budget package, as detailed in the summary tables below:

Summary of funded initiatives agreed by Cabinet:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
13845	Auckland Light Rail – Progressing the Next Phase of Project Delivery	10.602	72.843	114.940	0.720	-
13837	Community Connect – Public Transport Concessions for Community Services Cardholders	-	24.777	24.666	24.546	24.546
13950	Crown Support for Public Transport Revenue Shortfall due to COVID-19	47.400	-	-	-	-
13958	Crown Support for Waka Kotahi NZ Transport Agency’s Regulatory Business, as a Result of COVID-19 Impacts	7.000	-	-	-	-
13841	Decarbonising Freight Transport – Resourcing and Seed Funding	-	1.840	1.368	0.568	0.568*
13840	Decarbonising the Public Transport Bus Fleet	-	4.290	8.965	13.695	13.695**
14524	Driver licence support – Better access to licences for disadvantaged groups to improve employment and safety outcomes	-	4.300	4.300	4.300	4.050
13846	Future of Rail - Rail Network Investment Programme	-	-	-	312.300	-
13928	Ground-Based Navigation Aids at Five Locations, to Complete a Safe Minimum Operating Network for Aviation	-	-	0.400	0.400	0.400
14534	Implementation of MARPOL Annex VI to Reduce Pollution from Ships	-	1.900	-	-	-
13943	Maritime New Zealand Meeting its Obligations Under the Health and Safety at Work Act 2015	-	-	-	-	-
13827	Mode-Shift and Reducing Light Vehicle Kilometres Travelled – Investments, Planning, [33]	-	110.300	263.250	1.000	-
13948	Ongoing Crown Support for	-	23.300	-	-	-

	Maritime New Zealand Core Functions					
13945	Ongoing Crown Support for the Civil Aviation Authority and Aviation Security Service Core Functions	-	109.293	-	-	-
13959	Port Sector Opportunities to Support Decarbonisation, Resilience, and Regional Development	-	3.700	-	-	-
14538	Public Transport – Extension to the 50 percent Fare Reduction	-	27.100	-	-	-
13944	Resourcing the Ministry of Transport’s COVID-19 Response and Policy Function	-	1.000	-	-	-
13940	SuperGold Card Concessions – Ensuring Continued Access to Affordable Public Transport for Older New Zealanders	-	2.000	2.000	3.000	3.000*
13938	Supporting Implementation of the Maritime Security Strategy	-	0.068	-	-	-
Total Operating		65.002	386.711	419.889	360.529	46.259

* Funding for 2025/26 only – no outyears funding

** Irregular outyears funding

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)					2026/27
		2021/22	2022/23	2023/24	2024/25	2025/26	
13833	Future of Rail – Rolling Stock	-	15.000	110.700	102.500	86.700	34.300
14534	Implementation of MARPOL Annex VI to Reduce Pollution from Ships	-	1.000	0.100	-	-	
13929	Rescue and Firefighting Service at Whangārei Airport (Capital Component)	1.840	-	-	-	-	
Total Capital		1.840	16.000	110.800	102.500	86.700	

Summary of contingency initiatives agreed by Cabinet:

Operating Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
13839	Cleaner Vehicles for Low-Income New Zealanders - Social Leasing Scheme	-	10.000	10.000	-	-
14570	Cleaner Vehicles for Low-Income New Zealanders - Vehicle Scrap and Replace Scheme	-	15.906	15.906	242.900	294.050*
13828	Retaining and Recruiting Bus	-	13.000	15.000	16.000	17.000*

	Drivers – Improving Terms and Conditions					
13848	Supporting a Chatham Islands Replacement Ship to Enable Critical Transportation Services	-	11.020	24.080	-	-
14556	Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package	-	1.590	2.255	1.635	1.637
Total Operating		-	51.516	67.241	260.535	312.687

*Funding for 2025/26 only – no outyears funding

Capital Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)					2025/26 & Outyears
		2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears	
[37] and [38]							
14556	Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package	-	1.000	0.500	0.250	-	
Total Capital		[37] and [38]					

*Funding for 2025/26 only – no outyears funding

2 **note** that Cabinet has:

- i. **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to the changes to appropriations (including establishment of new appropriations if necessary) and/or capital injections and related recommendations necessary to give effect to the initiative(s) included in the 2022 Budget package for the above Vote, as detailed in the summary table(s) above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2021/22 approved by Joint Ministers as authorised above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- iii. **agreed** that expenses or capital expenditure against appropriations and capital injection authorisations set out in the 2022/23 Estimates and being sought in the Appropriation (2022/23 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
- iv. **authorised** Joint Ministers, for each contingency initiative, jointly to agree:
 - a. the work that needs to be completed or other conditions that need to be satisfied before the contingency is drawn down into appropriations;

- b. whether the draw down into appropriations requires Cabinet approval or the approval of Joint Ministers;
 - c. the expiry date of contingency funding;
 - d. any related recommendations necessary to give effect to the contingency initiative;
- v. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2021/22 Supplementary Estimates, the 2022/23 Estimates and the fiscal forecasts;
- vi. **authorised** the chief executives of departments that monitor Crown entities directly affected by Budget decisions taken by Cabinet or taken by Joint Ministers as authorised by Cabinet 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 and/or Statement of Performance Expectations;
- vii. **noted** that all communications relating to the 2022 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;
- 3 **agree** to establish new appropriations where required to implement the initiatives included in the summary tables above, as detailed in the attached initiative documents;
- 4 **approve** changes to appropriations and/or the capital injections to the administering department (where applicable) to implement the initiatives included in the summary tables above, as set out in the attached initiative documents;
- 5 **approve** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 6 **agree** that the proposed changes to appropriations and/or capital injections for 2021/22 detailed in the attached initiative documents be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Auckland Light Rail – Progressing the Next Phase of Project Delivery

Description: This initiative provides funding for the Auckland Light Rail Unit to carry out detailed planning activities following Cabinet decisions on Auckland Light Rail in December 2021. Costs covered include client delivery and professional services, the Auckland Light Rail Board and secretariat services, the policy work programme, and contingency funding for strategic land acquisition.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Auckland Light Rail Unit	Minister of Transport	Multi-Year Appropriation Start: 1/05/2022 Finish: 30/06/2025 Amount (\$m): 189.465	Departmental Output Expenses	N/A	This appropriation is limited to expenses incurred by the Auckland Light Rail Unit and the Auckland Light Rail Board, including secretariat services and support.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	10.602	72.843	114.940	0.720	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	10.602	72.843	114.940	0.720	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Auckland Light Rail Unit (MYA) (funded by revenue Crown)	9.902	68.023	110.820	0.720	-
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	0.700	4.820	4.120	-	-
Total Operating	10.602	72.843	114.940	0.720	-

Additional Recommendations

- 7 **note** that this initiative corresponds to initiative 14529 in Vote Transport and initiative 14530 in Vote Finance;
- 8 **agree** the Multi Year Appropriation: "Auckland Light Rail Unit" is established at \$189.465 million;
- 9 **note** that the amounts shown in the Appropriations Changes table for the Multi Year Appropriation: "Auckland Light Rail Unit" are the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Auckland Light Rail – Progressing the Next Phase of Project Delivery

Description: This initiative provides funding for the Auckland Light Rail Unit to carry out detailed planning activities following Cabinet decisions on Auckland Light Rail in December 2021. Costs covered include client delivery and professional services, the Auckland Light Rail Board and secretariat services, the policy work programme, and contingency funding for strategic land acquisition.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency [37] and [38]	-	-	-	-	-

Additional Recommendations

10 **note** that this initiative corresponds to initiative 13845 in Vote Transport and initiative 14530 in Vote Finance;

11 [33]

12 **note** that it is expected that the Minister of Transport, Minister of Finance and Minister of Housing will jointly draw down the tagged capital contingency funding above (establishing any new appropriations as necessary), subject to the Cabinet decisions referred to in recommendation 11 above;

13 **agree** that the tagged capital contingency described above will expire on 30 June 2024;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Cleaner Vehicles for Low-Income New Zealanders - Social Leasing Scheme

Description: This initiative provides contingency funding to implement and operate a social leasing scheme that leases low-emission vehicles to low-income participants.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	10.000	10.000	-	-
Capital Contingency	-	-	-	-	-
Total	-	10.000	10.000	-	-

Additional Recommendations

14 ^[33]

15

16 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

17 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;

18 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;

19 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Cleaner Vehicles for Low-Income New Zealanders - Vehicle Scrap and Replace Scheme

Description: This initiative provides contingency funding to implement and operate a vehicle scrap and replace scheme that provides funding and in-kind support to low-income households to purchase a low emission vehicle, or low emission alternatives, upon scrapping a vehicle.

Tagged Contingency

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	-	15.906	15.906	242.900	294.050
Capital Contingency	-	-	-	-	-
Total	-	15.906	15.906	242.900	294.050

Additional Recommendations

20 [33]

21

22 **agree** that the expiry date for the above tagged contingency be 1 February 2023;

23 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;

24 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;

25 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Community Connect – Public Transport Concessions for Community Services Cardholders

Description: This initiative provides funding to implement and operate a 50 percent concession on public transport for Community Services Cardholders to improve transport affordability and support an equitable transition to a low emissions economy.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Community Connect Programme	Minister of Transport	Annual	Multi-Category Expenses and Capital Expenditure	N/A	The single overarching purpose of this appropriation is to implement and operate public transport concessions through the Community Connect programme.
				Administration of the Community Connect Programme	This category is limited to administration costs incurred in providing public transport concessions through the Community Connect programme.
				Community Connect Programme - Public Transport Concessions	This category is limited to providing public transport concessions through the Community Connect programme.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	24.777	24.666	24.546	24.546
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	24.777	24.666	24.546	24.546

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears

Multi-Category Expenses and Capital Expenditure:					
Community Connect Programme (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Administration of the Community Connect Programme	-	0.528	0.317	0.211	0.211
<i>Non-Departmental Other Expenses:</i>					
Community Connect Programme - Public Transport Concessions	-	24.249	24.349	24.335	24.335
Total Multi-Category Expenses and Capital Expenditure: Community Connect Programme (MCA)	-	24.777	24.666	24.546	24.546
Total Operating	-	24.777	24.666	24.546	24.546

Additional Recommendations

- 26 **note** that the Minister of Finance has approved the establishment of the multi-category appropriation: "Community Connect Programme";
- 27 **note** that this initiative corresponds to initiative 14539 in Vote Social Development and initiative 14538 in Vote Transport;
- 28 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 29 **note** that Cabinet has agreed that any operating expenditure associated with this initiative will impact OBEGAL and net debt directly after 2025/26;
- 30 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 31 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Crown Support for Public Transport Revenue Shortfall due to COVID-19

Description: This initiative provides Crown funding to cover a portion of the revenue shortfall experienced by Waka Kotahi NZ Transport Agency and Public Transport Authorities as a result of reduced patronage due to COVID-19 in the 2021/22 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	47.400	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	47.400	-	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Multi-Category Expenses and Capital Expenditure:					
COVID-19 - NLTF Funding for Cost Pressures and Revenue Shocks (MCA)					
<i>Non-Departmental Output Expenses:</i>					
COVID-19 – NLTF Operating Cost Pressure and Revenue Shortfall Funding	47.400	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: COVID-19 - NLTF Funding for Cost Pressures and Revenue Shocks (MCA)	47.400	-	-	-	-
Total Operating	47.400	-	-	-	-

Additional Recommendations

32 **agree** that this funding is allocated between Waka Kotahi NZ Transport Agency and Public Transport Authorities as follows:

32.1 \$23.7 million to be put towards the National Land Transport Fund's share of the revenue shortfall (via Waka Kotahi NZ Transport Agency);

32.2 \$23.7 million to be put towards Public Transport Authorities' share of the revenue shortfall;

- 33 **agree** that for this funding to be drawn down, Waka Kotahi NZ Transport Agency must provide adequate evidence to the Ministry of Transport of the revenue shortfall and the impact on the National Land Transport Fund of covering this shortfall;
- 34 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 35 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 36 **direct** Waka Kotahi NZ Transport Agency and the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Crown Support for Waka Kotahi NZ Transport Agency's Regulatory Business, as a Result of COVID-19 Impacts

Description: This initiative provides Waka Kotahi NZ Transport Agency access to Crown funding following reductions in regulatory revenue as a result of COVID-19 in the 2021/22 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	7.000	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	7.000	-	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Protection of Waka Kotahi NZ Transport Agency's Core Regulatory Functions (MYA)	7.000	-	-	-	-
Total Operating	7.000	-	-	-	-

Additional Recommendations

- 37 **agree** the Multi Year Appropriation: "Protection of Waka Kotahi NZ Transport Agency's Core Regulatory Functions" is adjusted by \$7.000 million;
- 38 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Protection of Waka Kotahi NZ Transport Agency's Core Regulatory Functions" reflect the change to the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Decarbonising Freight Transport – Resourcing and Seed Funding

Description: This initiative provides funding for activities that support decarbonising the freight and supply chain sector. This includes funding for business cases and research programmes, capability and capacity, and contestable funding for low emission freight solutions.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	1.840	1.368	0.568	0.568
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.840	1.368	0.568	0.568

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Departmental Output Expenses:					
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	-	1.840	1.368	0.568	0.568
Total Operating	-	1.840	1.368	0.568	0.568

Additional Recommendations

- 39 **note** that this initiative corresponds with initiative 14540 in Vote Business, Science and Innovation;
- 40 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 41 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 42 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Decarbonising the Public Transport Bus Fleet

Description: This initiative provides funding to support Public Transport Authorities to invest in bus decarbonisation initiatives, such as deploying zero-emission buses or investing in associated infrastructure, to reduce greenhouse gas and harmful emissions from the bus fleet.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Public Transport Bus Decarbonisation	Minister of Transport	Multi-Year Appropriation Start: 1/07/2022 Finish: 30/06/2027 Amount (\$m): 54.340	Non-Departmental Output Expenses	N/A	This appropriation is limited to expenses incurred in supporting the decarbonisation of the public transport bus fleet, and the administration of this by Waka Kotahi NZ Transport Agency.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	4.290	8.965	13.695	13.695
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.290	8.965	13.695	13.695
	2026/27	2027/28	2028/29	2029/30	2030/31
Operating Balance Impact*	13.695	13.695	13.695	13.695	13.695
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	13.695	13.695	13.695	13.695	13.695
	2031/32	2032/33	2033/34	2034/35	2035/36
Operating Balance Impact*	13.695	9.405	4.730	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	13.695	9.405	4.730	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27
Non-Departmental Output Expenses:					
Public Transport Bus Decarbonisation (MYA)	4.290	8.965	13.695	13.695	13.695
Total Operating	4.290	8.965	13.695	13.695	13.695
	2027/28	2028/29	2029/30	2030/31	2031/32
Non-Departmental Output Expenses:					
Public Transport Bus Decarbonisation	13.695	13.695	13.695	13.695	13.695
Total Operating	13.695	13.695	13.695	13.695	13.695
	2032/33	2033/34	2034/35	2035/36	2036/37
Non-Departmental Output Expenses:					
Public Transport Bus Decarbonisation	9.405	4.730	-	-	-
Total Operating	9.405	4.730	-	-	-

Additional Recommendations

- 43 **agree** the Multi Year Appropriation: "Public Transport Bus Decarbonisation" is established at \$54.340 million;
- 44 **note** that the amounts for 2022/23 to 2026/27 shown in the Appropriations Changes table for the Multi Year Appropriation: "Public Transport Bus Decarbonisation" are the indicative annual spending profile;
- 45 **note** that Cabinet has agreed to charge the operating expenditure from 2022/23 to 2025/26 associated with this initiative against the Climate Emergency Response Fund;
- 46 **note** that Cabinet has agreed that any operating expenditure associated with this initiative will impact OBEGAL and net debt directly after 2025/26;
- 47 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 48 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;
- 49 **note** that the amount agreed by Cabinet for this initiative for 2032/33 is \$13.695 million;
- 50 **note** that the correct amount for 2032/33 is reflected in the table above;
- 51 **agree** that this initiative be funded at \$9.405 million in 2032/33;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Driver licence support – Better access to licences for disadvantaged groups to improve employment and safety outcomes

Description: This initiative will fund MSD contracted driver licence support for 64,000 people over 4 years. It will support people most disadvantaged by barriers to driver licences to progress through the driver licencing system by providing lessons with wrap around supports. It will increase access to jobs (70% require licences) and services, improve road safety, address industry workforce demand (e.g. in primary, construction, and care sectors) and reduce fine debt and the related risk of criminalisation. The initiative will stabilise and expand access to support and testing infrastructure. The multi-agency funding covers costs for: support; consultation; referral pathway design; sector development; increased testing capacity for transport disadvantaged communities and monitoring of effectiveness.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	4.300	4.300	4.300	4.050
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.300	4.300	4.300	4.050

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Land Transport Regulatory Services	-	4.300	4.300	4.300	4.050
Total Operating	-	4.300	4.300	4.300	4.050

Additional Recommendations

- 52 **note** that this initiative corresponds to initiative 13726 in Vote Social Development;
- 53 **agree** that this initiative will be included as a separate component within the "Land Transport Regulatory Services" appropriation with the title "Licensing Activities - Equitable Access to Driver Licences";

[37] and [38]

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Future of Rail - Rail Network Investment Programme

Description: This initiative provides a further Crown top-up to the National Land Transport Fund to meet the funding requirements to restore a resilient and reliable national rail network. This funding will enable KiwiRail to continue to run rail services and supports future growth in New Zealand rail.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Rail – Maintenance and Renewal of the Rail Network	Minister of Transport	Multi-Year Appropriation Start: 1/07/2022 Finish: 30/06/2025 Amount (\$m): 1,303.908	Non-Departmental Output Expenses	N/A	This appropriation is limited to expenses incurred on the approved Rail Network Investment Programme.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	312.300	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	-	312.300	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Rail - Maintenance and Renewal of the Rail Network	-	(471.329)	(520.279)	-	-
Rail – Maintenance and Renewal of the Rail Network (MYA)	-	471.329	520.279	312.300	-
Total Operating	-	-	-	312.300	-

Additional Recommendations

- 58 **agree** the Multi Year Appropriation: "Rail – Maintenance and Renewal of the Rail Network" is established at \$1,303.908 million;
- 59 **note** that the amounts shown in the Appropriations Changes table for the Multi Year Appropriation: "Rail – Maintenance and Renewal of the Rail Network" are the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Future of Rail – Rolling Stock

Description: This initiative provides funding for the final tranche of KiwiRail’s rolling stock investment programme to replace life-expired assets with modern, energy efficient units.

Appropriation Changes

	\$m - increase/(decrease)					
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Operating Balance Impact*	-	-	-	-	-	-
Net Core Crown Debt Impact Only	-	15.000	110.700	102.500	86.700	34.300
No Impact	-	-	-	-	-	-
Total	-	15.000	110.700	102.500	86.700	34.300

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)					
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Non-Departmental Capital Expenditure:						
Rail - KiwiRail Holdings Limited	-	15.000	110.700	102.500	86.700	34.300
Total Capital	-	15.000	110.700	102.500	86.700	34.300

Additional Recommendation

60 **agree** that the Minister of Finance and the Minister of Transport, acting jointly, can make changes to the existing baseline profile (including bringing funding forward) if required by the timing of KiwiRail Holding Limited's capital works programme;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Ground-Based Navigation Aids at Five Locations, to Complete a Safe Minimum Operating Network for Aviation

Description: This initiative provides funding for Airways New Zealand to deliver five navigation aids that will be used to safely recover aircraft as an emergency alternative to GPS navigation across mainland New Zealand, at locations where the usual avenue of user-pays cost recovery is not feasible. This will complete the safe minimum operating network in New Zealand (a full network of 24 ground-based navigation aids).

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Ground-Based Navigation Aids for Aviation Safety	Minister of Transport	Annual	Non-Departmental Output Expenses	N/A	This appropriation is limited to expenses incurred by Airways New Zealand for the annual operating costs of maintaining ground-based navigation aids.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	0.400	0.400	0.400
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	0.400	0.400	0.400

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Ground-Based Navigation Aids for Aviation Safety	-	-	0.400	0.400	0.400
Total Operating	-	-	0.400	0.400	0.400

Additional Recommendations

61 **note** that this initiative corresponds to initiative 14531 in Vote Finance;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Implementation of MARPOL Annex VI to Reduce Pollution from Ships

Description: This initiative provides funding for Maritime New Zealand and the Ministry of Business, Innovation and Employment to implement the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI, that Cabinet agreed to accede in November 2019. This funding will enable the two agencies to develop and implement new surveys and certification, testing, and monitoring regimes required to meet MARPOL obligations.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Maritime New Zealand – Capital Injection	Minister of Transport	Annual	Non-Departmental Capital Expenditure	N/A	This appropriation is limited to providing capital injections to Maritime New Zealand for the implementation of systems to support regulatory requirements, including MARPOL Annex VI.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.900	-	-	-
Net Core Crown Debt Impact Only	-	1.000	0.100	-	-
No Impact	-	-	-	-	-
Total	-	2.900	0.100	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Maritime Regulatory and Response Services	-	1.900	-	-	-
Non-Departmental Capital Expenditure:					
Maritime New Zealand – Capital Injection	-	1.000	0.100	-	-
Total Operating	-	1.900	-	-	-
Total Capital	-	1.000	0.100	-	-

Additional Recommendations

- 62 **note** that this initiative corresponds to initiative 14535 in Vote Business, Science and Innovation;
- 63 **note** that although the MARPOL Annex VI activities will be expected to be funded from levy revenues in the future, this is not currently feasible given the current reduction in levy revenue;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Maritime New Zealand Meeting its Obligations Under the Health and Safety at Work Act 2015

Description: This initiative increases the level of funding provided to Maritime New Zealand to meet its obligations under the Health and Safety at Work Act 2015. This funding enables Maritime New Zealand to fully undertake its role as the delegated maritime regulatory agency and continue to undertake essential health and safety activities. This increase is a charge against the Working Safer Levy rather than Budget allowances.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	4.350	4.620	4.930	5.050
Total	-	4.350	4.620	4.930	5.050

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Health and Safety at Work Activities - Maritime	-	4.350	4.620	4.930	5.050
Total Operating	-	4.350	4.620	4.930	5.050
Total Capital	-	-	-	-	-

Additional Recommendation

64 **note** that that the increase is a charge against the Working Safer Levy rather than Budget allowances;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Mode-Shift and Reducing Light Vehicle Kilometres Travelled – Investments, Planning, [33]

Description: This initiative provides funding for activities, infrastructure and services that reduce reliance on cars and supports the uptake of active and shared modes. It also provides funding for Waka Kotahi NZ Transport Agency and third parties to develop urban Vehicle Kilometres Travelled reduction plans and programmes that identify activities required to achieve mode-shift and reduce Vehicle Kilometres Travelled. [33]

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Category Name	Scope
Mode-Shift - Planning, Infrastructure, Services, and Activities	Minister of Transport	Annual	Multi-Category Expenses and Capital Expenditure	N/A	The single overarching purpose of this appropriation is to reduce reliance on cars and support the uptake of active and shared travel modes, such as walking, cycling and public transport.
				Mode-Shift - Operating Costs	This category is limited to operating expenses and administration costs incurred by Waka Kotahi NZ Transport Agency to develop Vehicle Kilometres Travelled reduction programmes and deliver services and activities that reduces reliance on cars and supports the uptake of active and shared travel modes, such as walking, cycling, and public transport.
				Mode-Shift - Third-Party Projects and Activities	This category is limited to expenses incurred by third-parties on the development of Vehicle Kilometres Travelled reduction programmes and the delivery of infrastructure, services and activities that reduce

					reliance on cars and support the uptake of active and shared travel modes, such as walking, cycling, and public transport.
				Mode-Shift - Funding for Crown Assets	This category is limited to investment in infrastructure that reduces reliance on cars and supports the uptake of active and shared travel modes, such as walking, cycling, and public transport.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	110.300	263.250	1.000	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	110.300	263.250	1.000	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	-	1.300	1.750	1.000	-
Multi-Category Expenses and Capital Expenditure:					
Mode-Shift - Planning, Infrastructure, Services, and Activities (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Mode-Shift - Operating Costs	-	22.000	24.500	-	-
<i>Non-Departmental Other Expenses:</i>					
Mode-Shift - Third-Party Projects and Activities	-	87.000	237.000	-	-
<i>Non-Departmental Capital Expenditure:</i>					
Mode-Shift - Funding for Crown Assets	-	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Mode-Shift - Planning, Infrastructure, Services, and Activities (MCA)	-	109.000	261.500	-	-
Total Operating	-	110.300	263.250	1.000	-

Additional Recommendations

- 65 **note** that the Minister of Finance has approved the establishment of the multi-category appropriation: "Mode-Shift - Planning, Infrastructure, Services, and Activities";
- 66 **agree** that up to \$22.5 million can be spent by Waka Kotahi NZ Transport Agency and third parties on developing Vehicle Kilometres Travelled reduction plans and programmes from the multi-category appropriation: "Mode-Shift - Planning, Infrastructure, Services and Activities";
- 67 ^[33]
- 68
- 69 **agree** that the Minister of Finance and the Minister of Transport, acting jointly, can make changes to the baseline profile in the multi-category appropriation "Mode-Shift - Planning, Infrastructure, Services and Activities" above (including bringing funding forward) depending on progress on mode-shift investments;
- 70 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;
- 71 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;
- 72 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Ongoing Crown Support for Maritime New Zealand Core Functions

Description: This initiative provides Maritime New Zealand with continued access to Crown funding following the impacts of COVID-19 on maritime passenger numbers. The funding will ensure Maritime New Zealand can continue to fulfil its core statutory, regulatory, compliance and response functions over the 2022/23 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	23.300	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	23.300	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Protection of Transport Sector Agency Core Functions (MYA)	-	23.300	-	-	-
Total Operating	-	23.300	-	-	-

Additional Recommendations

- 73 **agree** to extend the Protection of Transport Sector Agency Core Functions Multi-Year Appropriation to 30 June 2024;
- 74 **note** that the funding is based on forecast border activity as determined by the Border Executive Board on 15 December 2021, and that it is likely that the actual funding required will differ based on actual experience in the 2022/23 year;
- 75 **agree** that the actual funding provided to Maritime New Zealand will be the difference between actual expenditure for core functions for Maritime New Zealand (up to the amount budgeted as set out in the approved Statement of Performance Expectations 2022/23), and the actual revenue received in 2022/23, up to the total amount of the appropriation available for Maritime New Zealand;
- 76 **agree** that to the extent actual revenue performs better than expected and/or costs are lower

than budgeted in the 2021/22 and 2022/23 financial years, any surplus Crown funding may be held within the multi-year appropriation to service core function funding requirements in the 2023/24 financial year;

- 77 **agree** that a Letter of Comfort be issued to the Board of Maritime New Zealand, to be signed by the Minister of Transport and Minister of Finance, to enable Maritime New Zealand to operate as a going concern for the 2023/24 period;
- 78 **agree** the Multi Year Appropriation: "Protection of Transport Sector Agency Core Functions" is adjusted by \$23.300 million;
- 79 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Protection of Transport Sector Agency Core Functions" reflect the change to the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Ongoing Crown Support for the Civil Aviation Authority and Aviation Security Service Core Functions

Description: This initiative provides the Civil Aviation Authority and the Aviation Security Service with continued access to Crown funding following the impacts of COVID-19 on aviation passenger numbers. The funding will ensure that the Civil Aviation Authority and the Aviation Security Service can continue to fulfil their core statutory, regulatory, compliance and response functions over the 2022/23 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	109.293	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	109.293	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Protection of Transport Sector Agency Core Functions (MYA)	-	109.293	-	-	-
Total Operating	-	109.293	-	-	-

Additional Recommendations

80 **note** the above funding will be split between the two agencies as follows:

80.1 \$16.133 million to be provided to the Civil Aviation Authority; and

80.2 \$93.160 million to be provided to the Aviation Security Service;

81 **note** that the funding is based on forecast border activity as determined by the Border Executive Board on 15 December 2021, and that it is likely that the actual funding required will differ based on actual experience in the 2022/23 year;

82 **agree** that the actual funding provided to the Civil Aviation Authority (including the Aviation Security Service) will be the difference between actual expenditure for core

functions for the Civil Aviation Authority (which includes the Aviation Security Service) (up to the amount as set out in the approved Statement of Performance Expectations 2022/23), and the actual revenue received in 2022/23, up to the total amount of the appropriation available for the Civil Aviation Authority (including the Aviation Security Service);

- 83 **agree** that to the extent actual revenue performs better than expected and/or costs are lower than budgeted in the 2021/22 and 2022/23 financial years, any surplus Crown funding may be held within the multi-year appropriation to service core function funding requirements in the 2023/24 financial year;
- 84 **agree** that a Letter of Comfort be issued to the Board of the Civil Aviation Authority, to be signed by the Minister of Transport and Minister of Finance, to enable the Civil Aviation Authority to operate as a going concern for the 2023/24 period;
- 85 **agree** the Multi Year Appropriation: "Protection of Transport Sector Agency Core Functions" is adjusted by \$109.293 million;
- 86 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Protection of Transport Sector Agency Core Functions" reflect the change to the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Port Sector Opportunities to Support Decarbonisation, Resilience, and Regional Development

Description: This initiative provides funding for three technical studies: a research exercise to inform the development of the New Zealand Freight and Supply Chain Strategy; a study considering the technical engineering feasibility of the Manukau Harbour as a location for a future port; and a study on the proposal for a Northland dry-dock.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	3.700	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.700	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	-	3.700	-	-	-
Total Operating	-	3.700	-	-	-

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Public Transport – Extension to the 50 percent Fare Reduction

Description: This initiative extends the existing reduction in public transport fares by 50 percent currently in place from 1 April 2022 to 30 June 2022 for an additional two months from 1 July 2022 to 31 August 2022. This will encourage greater public transport usage, promoting decarbonisation in the transport sector, and directly reduce household transport costs.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	27.100	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	27.100	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Output Expenses:					
Funding for Temporary Decreases in Fuel Excise Duty, Road User Charges, Public Transport Fares and Railway Track User Charges (MYA)	-	27.100	-	-	-
Total Operating	-	27.100	-	-	-

Additional Recommendations

87 **note** that this initiative corresponds to initiative 13837 in Vote Transport and initiative 14539 in Vote Social Development;

88 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;

89 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;

90 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

- 91 **agree** the Multi Year Appropriation: "Funding for Temporary Decreases in Fuel Excise Duty, Road User Charges, Public Transport Fares and Railway Track User Charges" is adjusted by \$27.100 million;
- 92 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Funding for Temporary Decreases in Fuel Excise Duty, Road User Charges, Public Transport Fares and Railway Track User Charges" reflect the change to the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Rescue and Firefighting Service at Whangārei Airport (Capital Component)

Description: This initiative provides the capital costs for a Rescue and Firefighting Service at Whangārei District Airport, to maintain its compliance with Civil Aviation Authority certification status. Specifically, this initiative will fund the design and construction of a purpose-built facility for the Airport's Rescue and Firefighting Service. Under an existing Deed between the Crown and the Whangārei District Council, the Crown must pay the capital cost of the Rescue and Firefighting Service.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	1.840	-	-	-	-
No Impact	-	-	-	-	-
Total	1.840	-	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-Departmental Capital Expenditure:					
Joint Venture Airports - Crown Contribution (MYA)	1.840	-	-	-	-
Total Capital	1.840	-	-	-	-

Additional Recommendations

- 93 **note** that the 1963 Joint Venture Deed between the Crown and Whangārei District Council obligates the Crown to pay the full capital cost of Whangārei District Airport's Rescue and Firefighting Service;
- 94 **agree** the Multi Year Appropriation: "Joint Venture Airports - Crown Contribution" is adjusted by \$1.840 million;
- 95 **note** that the amounts shown in the appropriation changes table for the Multi Year Appropriation: "Joint Venture Airports - Crown Contribution" reflect the change to the indicative annual spending profile;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Resourcing the Ministry of Transport’s COVID-19 Response and Policy Function

Description: This initiative provides funding to contribute to the Ministry of Transport’s COVID-19 response and policy function through the 2022/23 financial year.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	1.000	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	-	1.000	-	-	-
Total Operating	-	1.000	-	-	-

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Retaining and Recruiting Bus Drivers – Improving Terms and Conditions

Description: This initiative provides contingency funding to improve the retention and recruitment of bus drivers through more attractive terms and conditions. This is to be given effect to through nationally consistent terms and conditions for bus drivers to be agreed through a bus industry standard agreement for urban bus drivers (represented by Government, Industry, and Unions).

Tagged Contingency

	Sm - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Contingency	-	13.000	15.000	16.000	17.000
Capital Contingency	-	-	-	-	-
Total	-	13.000	15.000	16.000	17.000

Additional Recommendations

96 [33]

97 **agree** that the drawdown of the contingency requires Cabinet approval (establishing any new appropriations as necessary), upon Cabinet’s satisfaction with the further work described in recommendation 93 above;

98 **agree** that the expiry date for the tagged operating contingency above will be 1 February 2023;

99 **note** that Cabinet has agreed to charge the operating expenditure associated with this initiative against the Climate Emergency Response Fund;

100 **agree** that this initiative will be subject to the financial and outcome-based monitoring and reporting associated with the Climate Emergency Response Fund;

101 **direct** the Ministry of Transport to work with the Treasury to finalise which financial and outcome-based information will be monitored and reported on for this initiative;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: SuperGold Card Concessions – Ensuring Continued Access to Affordable Public Transport for Older New Zealanders

Description: This initiative provides local government additional Crown funding to meet the expected increased costs of funding the SuperGold Card concession as the eligible population increases. The funding will protect the integrity of the SuperGold Card Scheme, ensuring that older New Zealanders can continue to benefit from free off-peak public transport.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Operating Balance Impact*	-	2.000	2.000	3.000	3.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.000	2.000	3.000	3.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26
Multi-Category Expenses and Capital Expenditure:					
SuperGold Card Enhanced Public Transport Concessions Scheme (MCA)					
<i>Non-Departmental Other Expenses:</i>					
Public Transport Concessions for Cardholders	-	2.000	2.000	3.000	3.000
Total Multi-Category Expenses and Capital Expenditure: SuperGold Card Enhanced Public Transport Concessions Scheme (MCA)	-	2.000	2.000	3.000	3.000
Total Operating	-	2.000	2.000	3.000	3.000

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Supporting a Chatham Islands Replacement Ship to Enable Critical Transportation Services

Description: This initiative provides contingency funding to support the Chatham Islands to replace its current vessel, the Southern Tiare as it reaches the end of its life. Funding is also allocated to support short-term maintenance of the Southern Tiare until a replacement vessel is delivered.

Tagged Contingency

	Sm - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	11.020	24.080	-	-
Capital Contingency	-	-	-	-	-
Total	-	11.020	24.080	-	-

Additional Recommendations

102 [33]

103 **note** that the contingency may be drawn down into Vote Transport or Vote Internal Affairs as required;

104 **agree** that the expiry date for the tagged operating contingency above will be 1 February 2023;

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Supporting Implementation of Initiatives Detailed in the Enabling Drone Integration Package

Description: This initiative provides contingency funding for the Civil Aviation Authority and the Ministry of Transport to deliver actions identified in the Enabling Drone Integration package. The Enabling Drone Integration outlines regulatory updates, digital infrastructure, and rule changes that need to be implemented by agencies.

Tagged Contingency

	Sm - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Contingency	-	1.590	2.255	1.635	1.637
Capital Contingency	-	1.000	0.500	0.250	-
Total	-	2.590	2.755	1.885	1.637

Additional Recommendations

- 105 **note** that officials are finalising the Enabling Drone Integration package, which is expected to be considered by Cabinet in mid-2022;
- 106 **agree** that the contingencies may be drawn down by Cabinet (establishing any new appropriations as necessary), subject to Cabinet's satisfaction with the Enabling Drone Integration package;
- 107 **agree** that the expiry date for the tagged operating and capital contingencies above will be 1 February 2023; and

Vote: Transport

Appropriation Administrator: Ministry of Transport

Title: Supporting Implementation of the Maritime Security Strategy

Description: This initiative provides Crown funding to contribute to implementation of the Maritime Security Strategy - Guardianship of Aotearoa New Zealand's Maritime Waters: Te Kaitiakitanga O Tangaroa. Specifically, this funding contributes to the operating costs of the Automatic Identification System, an information technology system used to enable maritime domain awareness.

Appropriation Changes

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Operating Balance Impact*	-	0.068	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.068	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expenses:					
Transport - Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	-	0.068	-	-	-
Total Operating	-	0.068	-	-	-

Additional Recommendation

108 **note** that further work is being completed to determine whether this funding is to be in Vote Transport or Vote Customs, and that any required changes to this funding will be made by the Minister of Transport and Minister of Finance, acting jointly.