

The Treasury

Budget 2023 Information Release

July 2023

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2023 Budget Package: Vote Agriculture, Biosecurity, Fisheries and Food Safety (North Island Weather Events Initiatives)

Appropriation Administrator: Ministry for Primary Industries

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

- 1 **note** that Cabinet has approved the Budget initiatives for the above Vote for inclusion in the 2023 Budget package, as detailed in the summary tables below:

Summary of North Island Weather Events initiatives agreed by Cabinet:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
15195	Addressing time critical response and recovery needs for primary industries and rural communities	13.603	16.397	-	-	-
15191	Connecting and supporting isolated and under-serviced rural communities	3.200	2.200	-	-	-
15135	Fiscally neutral adjustments for the \$4 million Initial Recovery Mobilisation Fund	-	-	-	-	-
Total Operating		16.803	18.597	-	-	-

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
15213	Addressing the impact of the North Island Weather Events on critical biosecurity infrastructure	1.500	1.000	-	-	-
Total Capital		1.500	1.000	-	-	-

- 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 initiatives included in the 2023 Budget package for the above Vote, as detailed in the summary tables above;
- ii. **authorised** Joint Ministers jointly to agree that the proposed changes to appropriations and/or capital injections for 2022/23 approved by Joint Ministers as authorised above be included in the 2022/23 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 2023/24 Estimates and being sought in the Appropriation (2023/24 Estimates) Bill may be met from Imprest Supply until that Bill is enacted and comes into force;
 - iv. **authorised** Joint Ministers to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2022/23 Supplementary Estimates, the 2023/24 Estimates and the fiscal forecasts;
 - v. **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in the North Islands Weather Events Initial Package 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;
 - vi. **noted** that all communications relating to the Budget 2023: North Island Weather Events Initial Package will be coordinated by the Office of the Minister of Finance;
- 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 2022/23 detailed in the attached initiative documents be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 7 **note** that Cabinet authorised Joint Ministers to agree to transfers of funding between the 2022/23 and 2023/24 financial years, where these changes are required due to the incorrect forecasting of funding;
- 8 **note** that Cabinet agreed that funding for North Island Weather Event initiatives is not to be transferred to fund other activities or into 2024/25 or beyond, and any unspent funding is to be returned to the centre;
- 9 **note** that Cabinet directed all departments to monitor and report all North Island Weather Event-related expenditure and performance at the initiative level in line with Treasury guidance, in addition to regular expenditure and performance reporting requirements undertaken at the appropriation level;

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Appropriation Administrator: Ministry for Primary Industries

Title: Addressing the impact of the North Island Weather Events on critical biosecurity infrastructure

Description: This initiative addresses the cost and time impacts of critical delays arising from the impact of the cyclone on the construction of the new Interim Post Entry Quarantine (IPEQ) facility. It will ready the facility for operation as soon as possible to directly support the medium to long-term recovery of the plant-based horticultural industry impacted by the loss of productive plants, vines and trees in the cyclone.

Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	1.500	1.000	-	-	-
No Impact	-	-	-	-	-
Total	1.500	1.000	-	-	-

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

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Capital Injections:					
Ministry for Primary Industries - Capital Injection	1.500	1.000	-	-	-
Total Capital	1.500	1.000	-	-	-

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Appropriation Administrator: Ministry for Primary Industries

Title: Addressing time critical response and recovery needs for primary industries and rural communities

Description: This initiative helps to address time-critical needs for rural businesses and communities impacted by the North Island Weather Events. These include urgent maintenance and temporary structures onsite; emergency connections to move animals and critical materials into and out of areas that have lost conventional access; and time-critical logistics/transportation for workers and services. This initiative will help to address immediate health and safety issues, and animal health and welfare issues.

New Appropriation Approval

Name	Appropriation Minister	Period	Type	Overarching Appropriation Purpose
North Island Weather Events	Minister of Agriculture	Annual	Multi-Category Expenses and Capital Expenditure	The single overarching purpose of this appropriation is to provide assistance to the primary sector as part of addressing the impact of North Island Weather Events.

Category Name	Appropriation Minister	Period	Category Type	Category Scope
Primary Sector Response and Recovery Administration costs	Minister of Agriculture	Annual	Departmental Output Expenses	This category is limited to the administration costs incurred implementing programmes to support the primary sector as part of addressing the impact of North Island Weather Events.
Support for Rural Businesses and Communities	Minister of Agriculture	Annual	Non-departmental Other Expenses	This category is limited to supporting isolated and under-served rural communities impacted by the North Island Weather Events.

Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	13.603	16.397	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	13.603	16.397	-	-	-

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

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Multi-Category Expenses and Capital Expenditure:					
North Island Weather Events (MCA)					
<i>Departmental Output Expenses:</i>					
Primary Sector Response and Recovery Administration costs (funded by revenue Crown)	0.814	1.056	-	-	-
<i>Non-Departmental Other Expenses:</i>					
Support for Rural Businesses and Communities	12.789	15.341	-	-	-
Total Multi-Category Expenses and Capital Expenditure: North Island Weather Events (MCA)	13.603	16.397	-	-	-
Total Operating	13.603	16.397	-	-	-

Additional Recommendations

- 10 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 11 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023;
- 12 **note** that the Minister of Finance has approved the establishment of the multi-category appropriation: “North Island Weather Events”;

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Appropriation Administrator: Ministry for Primary Industries

Title: Connecting and supporting isolated and under-serviced rural communities

Description: This initiative enables rural communities that have been isolated by the North Island Weather Events to access the support they need to accelerate their recovery and maintain their wellbeing. It funds the creation of centralised hubs where communities can come together to support each other, improve access to critical recovery services and reliable telecommunications including satellite connectivity where required. It facilitates community-led approaches to recovery and provides better access to resources and guidance for community members.

Appropriation Changes

	Sm - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	3.200	2.200	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	3.200	2.200	-	-	-

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

	Sm - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Multi-Category Expenses and Capital Expenditure:					
North Island Weather Events (MCA)					
<i>Departmental Output Expenses:</i>					
Primary Sector Response and Recovery Administration costs (funded by revenue Crown)	3.200	2.200	-	-	-
Total Multi-Category Expenses and Capital Expenditure: North Island Weather Events (MCA)	3.200	2.200	-	-	-
Total Operating	3.200	2.200	-	-	-
Total Capital	-	-	-	-	-

Additional Recommendations

- 13 **agree** that the initiative is funded up to 31 December 2023, after which unspent funds will be returned to the centre;
- 14 **agree** that the administering department will report back to Joint Ministers on proposed options to conclude the initiative by 30 September 2023; and
- 15 **direct** the Ministry of Primary Industries to coordinate with the Ministry of Social Development, Department of Prime Minister and Cabinet (including the National Emergency Management Agency) and Ministry of Health on the provision of services via regional infrastructure (including community hubs) to make best use of existing systems and local knowledge.

Vote: Agriculture, Biosecurity, Fisheries and Food Safety

Appropriation Administrator: Ministry for Primary Industries

Title: Fiscally neutral adjustments for the \$4 million Initial Recovery Mobilisation Fund

Description: This initiative is for the fiscally neutral adjustments in respect of the \$4 million initial recovery and mobilisation fund to help farmers and growers affected by Cyclone Gabrielle.

Appropriation Changes

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	-	-	-

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

	\$m - increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Agriculture: Programmes Supporting Sustainability (MCA)					
<i>Departmental Output Expenses:</i>					
Agriculture: Administration of Grants and Programmes (funded by revenue Crown)	4.000	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Agriculture: Programmes Supporting Sustainability (MCA)	4.000	-	-	-	-
Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)					
<i>Departmental Output Expenses:</i>					
Domestic Biosecurity Surveillance (funded by revenue Crown)	(2.000)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Biosecurity: Border and Domestic Biosecurity Risk Management (MCA)	(2.000)	-	-	-	-
Development and Implementation of Primary Industries Policy Advice (MCA)					
<i>Departmental Output Expenses:</i>					
Agriculture: Implementation of Policy Advice and ministerial servicing (funded by revenue Crown)	(2.000)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Development and Implementation of Primary Industries Policy Advice (MCA)	(2.000)	-	-	-	-
Total Operating	-	-	-	-	-