



## COVERSHEET

|                               |   |                             |                   |
|-------------------------------|---|-----------------------------|-------------------|
| <b>Minister</b>               | Hon Peeni Henare  | <b>Portfolio</b>            | Tourism           |
| <b>Title of Cabinet paper</b> | International Visitor Conservation and Tourism Levy investment in Ngā Haerenga New Zealand Cycle Trails Great Rides | <b>Date to be published</b> | 28 September 2023 |

| <b>List of documents that have been proactively released</b> |   |                                   |
|--|---|-----------------------------------|
| <b>Date</b>  | <b>Title</b>  | <b>Author</b>                     |
| August 2023  | International Visitor Conservation and Tourism Levy investment in Ngā Haerenga New Zealand Cycle Trails Great Rides                           | Office of the Minister of Tourism |
| 30 August 2023   | International Visitor Conservation and Tourism Levy investment in Ngā Haerenga New Zealand Cycle Trails Great Rides<br>DEV-23-MIN-0195 Minute | Cabinet Office                    |

### **Information redacted**

**YES / NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



# Cabinet Economic Development Committee

## 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.*

### International Visitor Conservation and Tourism Levy investment in Ngā Haerenga New Zealand Cycle Trails Great Rides

**Portfolio**                      **Tourism**

On 30 August 2023, the Cabinet Economic Development Committee:

- 1        **noted** that the government has conducted the 2023 Rapid Savings Exercise and agreed that the Minister of Finance and Minister of Tourism should make \$20 million per annum in cost savings within the Tourism portfolio [CAB-23-MIN-0344];
- 2        **noted** that \$59 million from the Tourism portfolio has already returned to the consolidated fund as part of Budget 2023;
- 3        **noted** that the Minister of Finance and the Minister of Tourism have confirmed the following cost saving measures:
  - 3.1      agreed to return \$30 million from the Innovation Programme for Tourism Recovery;
  - 3.2      agreed to reduce New Zealand Cycle Trails' baseline funding by \$5 million per annum from 2024/25;
  - 3.3      agreed in principle to invest \$5 million per annum from the International Visitor Conservation and Tourism Levy (IVL) in New Zealand Cycle Trails from 2024/25;
  - 3.4      agreed to reduce Tourism New Zealand's baseline funding by \$15 million per annum from 2026/27;
- 4        **noted** that the cost savings measures referred to in paragraph 3 above will be reflected in the appropriation and fiscal forecasts provided to the Treasury for preparing the Pre-election Economic and Fiscal Update;
- 5        **agreed** to invest \$5 million funding from the IVL in New Zealand Cycle Trails for financial years 2024/25 and outyears;

6 **approved** the following changes to appropriations to give effect to the decision in paragraph 4 above:

|   | \$m – increase/(decrease) |                |                |                |                               |
|---|---------------------------|----------------|----------------|----------------|-------------------------------|
| <b>Vote Business, Science and Innovation</b>                            | <b>2023/24</b>            | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> | <b>2027/28 &amp; Outyears</b> |
| <b>Minister of Tourism</b>  |                           |                |                |                |                               |
| Multi-Category Expenses and Capital Expenditure: Tourism Facilities MCA |                           |                |                |                |                               |
| Non-Departmental Other Expenses   |                           |                |                |                |                               |
| Nga Haerenga, The New Zealand Cycle Trail Fund (funded by IVL)          | -                         | 5.000          | 5.000          | 5.000          | 5.000                         |
| <b>Total Operating</b>  | -                         | <b>5.000</b>   | <b>5.000</b>   | <b>5.000</b>   | <b>5.000</b>                  |

7 **noted** that the New Zealand Cycle Trails’ overall existing operating budget remains at \$8 million per annum, as the Crown will continue to provide \$3 million of funding per annum for the New Zealand Cycle Trails Great Rides work programme.

Janine Harvey  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Andrew Little  
Hon David Parker  
Hon Peeni Henare  
Hon Kieran McAnulty  
Hon Dr Duncan Webb  
Hon Jo Luxton  
Hon Rachel Brooking

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV