



Cabinet Economic Development Committee

Minute of Decision

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Drawdown of Biosecurity Tagged Contingency Funding

Portfolio **Biosecurity**

On 16 October 2019, the Cabinet Economic Development Committee:

1 **noted** that on 24 September 2018, Cabinet:

- 1.1 agreed to implement an offshore supplier registration system for collecting GST on imported goods valued at or below \$1,000;
- 1.2 agreed to change the *de minimus* to \$1,000 based on the value of the consignment (the GST policy), and to implement the GST policy on 1 October 2019;

[CAB-18-MIN-0466.01]

2 **noted** that on 15 April 2019, Cabinet:

- 2.1 agreed to establish tagged operating contingency in Budget 2019 of up to the amounts as follows in Vote Agriculture, Biosecurity, Fisheries and Food Safety, to provide for the impact of the GST policy on operational funding:

	\$m – increase/(decrease)			
	2019/20	2020/21	2021/22	2022/23 & Outyears
Impact of GST on Low Value Goods Policy on Operational Funding Requirements - MPI	8.991	12.524	11.816	-

- 2.2 agreed that the above contingency item be submitted to Cabinet for consideration at a later date;

[CAB-19-MIN-0174.01]

3 **noted** that the tagged contingency was established to allow the funding to be adjusted once final decisions were made around the implementation date for the GST policy;

4 **noted** that on 12 June 2019, Cabinet:

4.1 agreed to a 1 December 2019 implementation date for the GST policy;

4.2 agreed to reduce the 2019/20 amount in the tagged contingency *Impact of GST on Low Value Goods Policy on Operational Funding Requirements* in Vote Agriculture, Biosecurity, Fisheries and Food Safety by \$1.998 million to \$6.993 million;

[DEV-19-MIN-0153]

5 **agreed** that, as the implementation date for the GST policy has been agreed, draw down of the tagged contingency can proceed;

6 **approved** the following changes to appropriations to provide for the decision in paragraph 5 above, with a corresponding impact on the operating balance:

	\$m – increase/(decrease)			
Vote Agriculture, Biosecurity, Fisheries and Food Safety	2019/20	2020/21	2021/22	2022/23 & Out years
Minister for Biosecurity				
Biosecurity: Border and Domestic				
Biosecurity Risk Management MCA				
Departmental Output Expense				
Border Biosecurity Monitoring and Clearance	6.993	12.524	11.816	-

7 **agreed** that the changes to appropriations for 2019/20 above be included in 2019/20 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

8 **agreed** that the expenses incurred under paragraph 6 above be charged against the *Impact of GST on Low Value Goods Policy on Operational Funding Requirements – MPI* described in paragraph 2 above.

Jack Petterson
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Phil Twyford (Chair)
Hon Iain Lees-Galloway
Hon Damien O'Connor
Hon Kris Faafoi
Hon Shane Jones
Hon James Shaw
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

Hard-copy distribution:

Minister for Biosecurity