



# Cabinet Business 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.*

### Investing in Sustainable Journalism: Draw Down of Tagged Contingency

**Portfolio** Broadcasting and Media

On 26 January 2021, the Cabinet Business Committee:

- 1 **noted** that in April 2020, the Cabinet Business Committee agreed to a \$50 million package of initiatives to support the media sector, and invited the Minister for Broadcasting and Media to report back with further measures to form a more substantial media support package [CBC-20-MIN-0051];
- 2 **noted** that government support is needed to provide targeted, short to medium-term protection of public interest journalism and jobs in the context of the development of a strategic framework and subsequent policy work to ensure that there is not an irreversible loss of capability and infrastructure in the media sector as a result of the ongoing economic impact of COVID-19;
- 3 **noted** that in July 2020, Cabinet:
  - 3.1 agreed to establish a tagged operating contingency of up to the amounts as follows in Vote Arts, Culture and Heritage, to provide for Broadcasting Initiatives:

|   | \$m – increase/(decrease) |         |         |         |                    |
|---|---------------------------|---------|---------|---------|--------------------|
|   | 2019/20                   | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Broadcasting Initiatives - Tagged Operating Contingency | -                         | 27.000  | 25.000  | 25.000  | -                  |

- 3.2 **noted** that decisions on draw down of the above tagged contingency will be taken by Cabinet at a later date;

[CAB-20-MIN-0328.01]

- 4 **noted** that in August 2020, Cabinet agreed to draw down \$2.0 million of the 2020/21 tagged contingency in paragraph 3.1 above for the 'Building a sustainable and viable media sector' initiative to enable the development of a strategic framework and subsequent policy work to support longer-term sector sustainability and viability [CAB-20-MIN-0375];

- 5 **agreed** that the \$75.0 million remaining in the contingency be re-phased over the three-year horizon of this initiative to reflect the time that has lapsed since Cabinet envisaged draw down of this funding would be sought, with the following profile:

|   | \$m – increase/(decrease) |         |         |         |                    |
|---|---------------------------|---------|---------|---------|--------------------|
|   | 2020/21                   | 2021/22 | 2022/23 | 2023/24 | 2024/25 & Outyears |
| Broadcasting Initiatives - Tagged Operating Contingency | 10.000                    | 45.000  | 20.000  | -       | -                  |

- 6 **agreed** to draw down \$55.0 million of the tagged contingency in paragraph 5 above for the 'Investing in Sustainable Journalism' initiative (the initiative);
- 7 **noted** that the Minister for Broadcasting and Media will return to Cabinet before the end of the 2020/21 financial year with a proposal to draw down the remaining funding in the contingency;
- 8 **noted** that the initiative provides multi-year contestable funding delivered through NZ On Air to protect public interest journalism that will be at risk or lost due to the impact of COVID-19 on newsrooms;
- 9 **noted** that the initiative is not designed to subsidise the general operations of media organisations or to help individual companies survive the pressures they are facing, and that there are longer-term programmes of work underway to support the media sector to transition to a more sustainable future;
- 10 **noted** that additional operating funding is required by NZ On Air and the Ministry for Culture and Heritage to support the administration and ongoing monitoring and evaluation of the initiative;
- 11 **approved** the following changes to appropriations to provide for the decisions in paragraphs 6 and 10 above, with a corresponding impact on the operating balance and net core Crown debt:

| Vote Arts, Culture and Heritage<br>Minister for Broadcasting and Media  | \$m – increase/(decrease) |         |         |         |                    |
|---|---------------------------|---------|---------|---------|--------------------|
|   | 2020/21                   | 2021/22 | 2022/23 | 2023/24 | 2024/25 & Outyears |
| Non-Departmental Output Expense:<br>Public Broadcasting Services  | 9.800                     | 24.937  | 19.950  | -       | -                  |
| Multi-Year Multi-Category Expenses<br>and Capital Expenditure:<br>Departmental Output Expense<br>Policy Advice, Monitoring of Funded<br>Agencies and Ministerial Services<br>Monitoring of Funded Agencies<br>(funded by revenue Crown) | 0.200                     | 0.063   | 0.050   | -       | -                  |
| Total Operating   | 10.000                    | 25.000  | 20.000  | -       | -                  |

- 12 **agreed** that the changes to appropriations for 2020/21 above be included in the 2020/21 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 13 **agreed** that the expenses incurred in paragraph 11 above be charged against the Broadcasting Initiatives Tagged Operating Contingency described in paragraph 3.1 above;
- 14 **agreed** that any underspend for this initiative be rolled over into the next financial year, with any underspend remaining at the end of the 2022/23 financial year returned to the centre;



- 15 **noted** that the proposed eligibility criteria and implementation for the initiative outlined in the paper under CBC-21-SUB-0009 will be further refined through targeted consultation with the media sector, including Māori media experts;
- 16 **authorised** the Minister for Broadcasting and Media to take further decisions on detailed design and delivery settings (including timeframes) and other minor and technical matters to support the implementation of the initiative, in line with decisions agreed by Cabinet.

Rachel Clarke  
Committee Secretary

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**Present:**

Rt Hon Jacinda Ardern  
Hon Grant Robertson  
Hon Kelvin Davis  
Hon Dr Megan Woods  
Hon Chris Hipkins  
Hon Carmel Sepuloni  
Hon Andrew Little  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Poto Williams  
Hon Damien O'Connor  
Hon Stuart Nash  
Hon Kris Faafoi  
Hon Jan Tinetti

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet

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# Cabinet

## Minute of Decision

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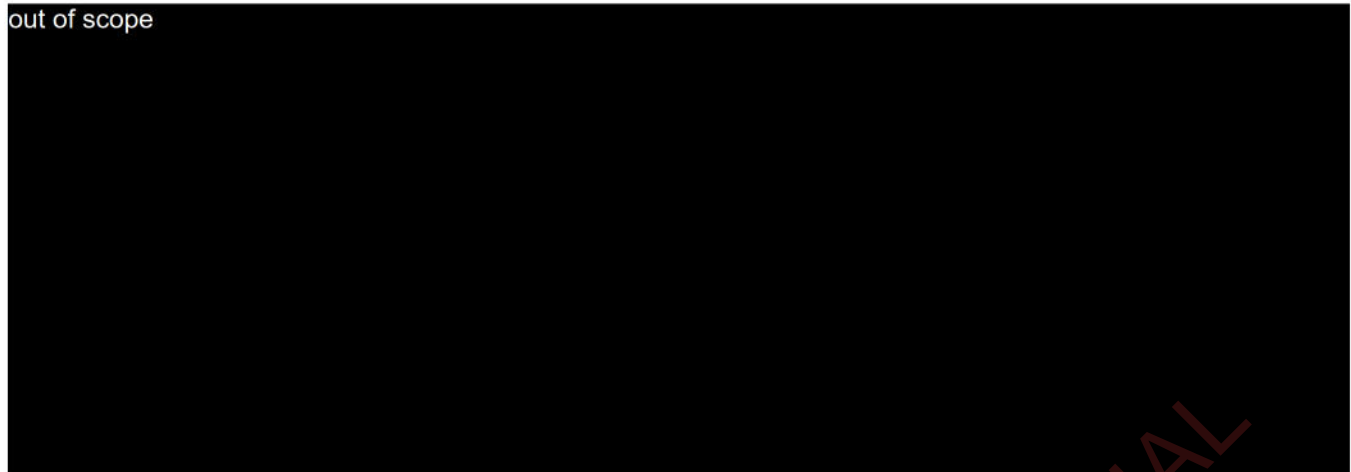
### **Report of the Cabinet Business Committee: Period Ended 29 January 2021**

On 2 February 2021, Cabinet made the following decisions on the work of the Cabinet Business Committee for the period ended 29 January 2021:

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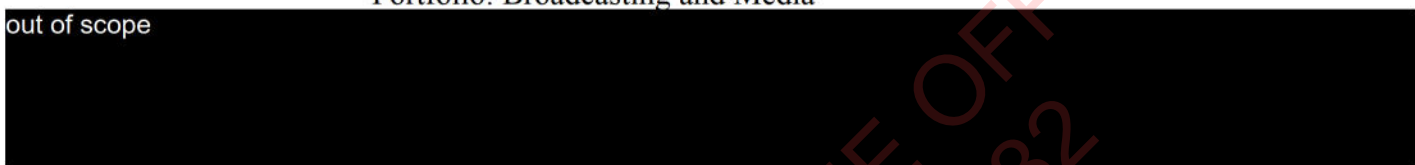
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CBC-21-MIN-0009 **Investing in Sustainable Journalism: Draw Down of Tagged Contingency** CONFIRMED  
Portfolio: Broadcasting and Media

out of scope



Michael Webster  
Secretary of the Cabinet

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