

Ministry of Transport: Aide Memoire

To: Hon Julie Anne Genter
From: [REDACTED] Acting Manager, Strategic Policy and Innovation
Date: 10 December 2018
Subject: Green Transport Card Revised Budget Initiative
OC Number: OC181192

An updated budget initiative for the Green Transport Card (GTC) is attached

Significant changes we have made since the previous draft are identified below.

- 1. *Scope and phasing:*** As agreed at your meeting with Hon Twyford on 10 December 2018, the GTC will initially be targeted at Community Services Card holders and their dependent children. Full-time tertiary education students will be targeted later. In 2019, we will develop the detailed policy work to implement the GTC for Community Services Card holders and their dependent children in mid-2020. In 2019, we will also develop the policy work to provide tertiary education students with a GTC. We will create a new budget initiative covering tertiary students as soon as possible after this policy work is complete.
- 2. *Updated costings:*** As a result of the narrower scope, the total cost has fallen to approximately \$50 million per year from 2020/21 onwards. We also incorporated updated estimates from the Ministry of Social Development (MSD) for producing and distributing the cards, and an expected increase in Community Services Card holders from upcoming changes in eligibility rules. MSD is unable to confirm all administrative costs, as these costs will depend on policy decisions that need to be made for the card in 2019. We have noted on page 12 of the budget initiative what these costs will involve. For this reason, we have currently removed the \$5 million previously budgeted for administrative costs in 2019/20 (but included approximately \$640,000 for producing and distributing cards).
- 3. *National Land Transport Fund (NLTF):*** We have elaborated on why funding from the NLTF is unavailable for the GTC until 2021 onwards, on page 2.
- 4. *Wellbeing domains:*** We have provided more detail on how this initiative could positively contribute to each of the wellbeing domains, drawing on additional research, on pages 7-9.

We have also been discussing the policy implications of this initiative with other agencies, including MSD, the New Zealand Transport Agency, and the Ministry of Health. We will share insights from these conversations with you in a briefing this Friday 14 December.

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