Ministry for Cities, Environment, Regions & Transport

Proactive Release

This document is proactively released by Ministry of Cities, Environment, Regions and Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

Section	Description of ground
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by (i) the Government of any other country or any agency of such a Government; or (ii) any international organisation
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

Office of the Associate Minister of Transport

Chair, Cabinet Legislation Committee

MARITIME LEVIES AMENDMENT REGULATIONS 2026

Proposal

1 This paper seeks authorisation to submit the Maritime Levies Amendment Regulations 2026 (the amendment Regulations) to the Executive Council.

Executive Summary

2 Maritime New Zealand (Maritime NZ) applies a user-pays, full cost recovery model to fund the regulatory system. A key source of revenue is the Maritime Levy which provides 37% of its total funding.

3 Maritime NZ is facing a shortfall in Maritime Levy revenue, primarily due to cruise ship visits reducing by approximately 37% between 2023/24 and 2025/26, from 976 to around 610 annually.

4 Maritime NZ recently concluded its regular, triennial funding review. In April 2026, Cabinet agreed to amend the Maritime Levies Regulations 2016 to increase the Maritime Levy rate by 6.35% in year one, and 2.5% from the current base for years two and three. These increases will account for inflation-related cost pressures over the next three-year cycle. The year one increase will also fund any necessary redundancies.

Policy

5 Maritime NZ regulates the safety, security, environmental protection, and sustainability of New Zealand's maritime and port sector. A key source of its revenue is the Maritime Levy which is apportioned on the basis of risk and is charged to all commercial maritime operators and visiting foreign vessels to fund the regulatory system. Foreign vessels are levied per port visit and domestic vessels on an annual basis. It must be paid whether or not an operator uses the functions and activities it funds.

6 Adjustments to the Maritime Levy are routine and do not require new policy decisions. The Maritime Levy was last adjusted in July 2024.

7 In November and December 2025, Maritime NZ consulted on three options to adjust the Maritime Levy:

7.1 Option 1: No increase with a 20% decrease in Maritime Levy-funded activities.

7.2 Option 2: A Maritime Levy adjusted for inflation and to cover redundancies in year one only (a 6.35% adjustment in year one and 2.5% for years two and three).

7.3 Option 3: A 13.2% increase to the Maritime Levy over three years from 1 July 2027 to enable Maritime NZ to maintain its current levels of services over this time period.

8 On 7 April 2026, Cabinet agreed to amend the Maritime Levies Regulations 2016 to implement Option 2 above (CAB-26-MIN-0110 and ECO-26-MIN-0051 refer). These amendment Regulations give effect to this Cabinet decision.

9 Cabinet consideration of the Maritime Levy review occurred in the context of the ongoing Middle East conflict. The impact of the conflict on the maritime sector's fuel costs was carefully considered by Cabinet as part of deciding whether to increase the Maritime Levy.

10 Cabinet recognised that many stakeholders supported a 13.2% increase (Option 3) to retain Maritime NZ activities at current levels, and that Maritime NZ had already made efficiencies. However, it also noted that many stakeholders did not support any increase (Option 1) as they were concerned about the cumulative impact of recent price increases across both government and the private sector. Option 2 was considered the option that best takes into account all of these factors.

11 The first changes to the levies will begin on 1 July 2027 and are as follows:

2027/28 – 6.35% increase

Vessel Type	Per gross tonnage rate	Per deadweight tonnage rate	Per passenger capacity rate	Overall length
Foreign passenger **(per port call)**	$0.1363	$0.0112	$2.7479	N/A
Foreign non-passenger **(per port call)**	$0.1599	$0.0129	N/A	N/A
NZ SOLAS **(per annum)**	$10.5759	$0.6252	$63.3894	N/A
NZ non-SOLAS 24 metres or longer **(per annum)**	$11.1524	N/A	$23.8037	N/A
NZ non-SOLAS less than 24 metres **(per annum)**	N/A	N/A	$23.8037	$20.7742

12 The second changes to the levies, for years two and three (2028/29 and 2029/30), will begin on 1 July 2028 and are as follows:

2028/29 and 2029/30 – 2.5% increase

Vessel Type	Per gross tonnage rate	Per deadweight tonnage rate	Per passenger capacity rate	Overall length
Foreign passenger **(per port call)**	$0.1315	$0.0108	$2.6495	N/A
Foreign non-passenger **(per port call)**	$0.1542	$0.0124	N/A	N/A
NZ SOLAS **(per annum)**	$10.1973	$0.6028	$61.1201	N/A
NZ non-SOLAS 24 metres or longer **(per annum)**	$10.7532	N/A	$22.9515	N/A
NZ non-SOLAS less than 24 metres **(per annum)**	N/A	N/A	$22.9515	$20.0305

13 The increases are not cumulative. The 2.5% increase in years two and three will be applied to the current Maritime Levy rate rather than the year one rate which is subject to a 6.35% increase. The greater rate in year one is needed to fund redundancies. This means the Maritime Levy rate will reduce in years two and three compared to year one.

14 The justification for the new levy rates is to allow Maritime NZ to increase its revenue in response to inflationary pressures challenging how it funds its regulatory activities, and to fund redundancies in 2027/28 to ensure it is operating in a financially sustainable manner.

15 These measures align with the Government's enduring letter of expectations for statutory Crown entity boards that states that our Government is determined to deliver better results and improved public services for New Zealanders, while managing within tight fiscal constraints.

Timing

16 The amendment Regulations will come into force on 1 July 2027, aside from regulation 5 and Schedule 2, which relate to the Maritime Levy rates for years two and three (2028/29 and 2029/30) that come into force on 1 July 2028.

Compliance

17 The amendment Regulations comply with each of the following:

17.1 the principles of the Treaty of Waitangi;

17.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;

17.3 the principles and guidelines set out in the Privacy Act 2020;

17.4 relevant international standards and obligations;

17.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee; and

18 No advice was sought from the Treaty Provisions Officials Group on any Treaty of Waitangi provisions as none are relevant to this matter.

19 Section 191(3A) of the Maritime Transport Act 1994 requires the Minister of Transport to not recommend that regulations be made setting levies unless I have consulted such persons, representative groups within the maritime industry or elsewhere, government departments, and Crown agencies as I consider appropriate.

20 Maritime NZ conducted a four-week public consultation period which aligns with previous reviews. The consultation received submissions from a wide variety of sector participants including ports, importers and exporters, larger domestic shipping operators, smaller domestic operators, fishing, aquaculture, and the cruise industry. There was also a submission from state-owned enterprise, KiwiRail. I am therefore satisfied that the requirements in section 191(3A) are met.

Regulations Review Committee

21 There are no grounds for the Regulations Review Committee to draw the amendment Regulations to the attention of the House of Representatives as a Standing Order requirement.

Certification by the Parliamentary Counsel Office

22 The amendment Regulations are certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

Impact Analysis

23 A Cost Recovery Impact Statement was prepared in accordance with the necessary requirements and was submitted at the time that Cabinet policy approval relating to the amendment Regulations was sought (CAB-26-MIN-0110 and ECO-26-MIN-0051 refer).

Consistency with principles of responsible regulation

24 A Consistency Accountability Statement (Appendix 1) and Summary of Underpinning Analysis (Appendix 2) have been prepared. No inconsistencies with the principles of responsible regulation were identified.

Publicity

25 The amendment Regulations will be notified in the New Zealand Gazette. Maritime NZ will notify stakeholders of when the amendment Regulations will come into force.

Proactive release

26 I intend to proactively release this paper within 30 business days of final decisions being taken by Cabinet, subject to any redactions appropriate under the Official Information Act 1982.

Consultation

27 The Ministry has consulted the Treasury, the Ministry of Business, Innovation and Employment, the Ministry for Regulation, the Ministry of Foreign Affairs, the Ministry for Primary Industries, the New Zealand Customs Service, the Parliamentary Counsel Office and Maritime NZ. The Department of Prime Minister and Cabinet has been informed.

Recommendations

I recommend that the Cabinet Legislation Committee:

1 **note** that on 7 April 2026, following reference from the Economic Policy Committee, Cabinet agreed to amend the Maritime Levies Regulations 2016 to increase the Maritime Levy rate by 6.35 percent from 1 July 2027 to 30 June 2028, and 2.5 percent from 1 July 2028 to 30 June 2030 (CAB-26-MIN-0110 refers);

2 **authorise** the submission to the Executive Council of the Maritime Levies Amendment Regulations 2026;

3 **note** that the Maritime Levies Amendment Regulations 2026 will come into force on 1 July 2027, aside from regulation 5 and Schedule 2, which relate to the Maritime Levy rates for years two and three (2028/29 and 2029/30) that come into force on 1 July 2028;

4 **note** the advice of the Associate Minister of Transport that he has consulted such persons, representative groups within the maritime industry or elsewhere, government departments, and Crown agencies as he considers appropriate in line with section 191(3A) of the Maritime Transport Act 1994.

Authorised for lodgement

Hon James Meager

Associate Minister for Transport

APPENDIX 1 – CONSISTENCY ACCOUNTABILITY STATEMENT

(Attached separately)

APPENDIX 2 – SUMMARY OF UNDERPINNING ANALYSIS

(Attached separately)

LEG-26-MIN-0155

Cabinet Legislation Committee

Minute of Decision

Maritime Levies Amendment Regulations 2026

Portfolio **Associate Transport**

On 30 July 2026, the Cabinet Legislation Committee:

1 **noted** that in April 2026, the Cabinet Economic Policy Committee agreed to amend the Maritime Levies Regulations 2016 to increase the Maritime Levy rate by 6.35 percent from 1 July 2027 to 30 June 2028, and 2.5 percent from 1 July 2028 to 30 June 2030 [ECO-26-MIN-0051];

2 **authorised** the submission to the Executive Council of the Maritime Levies Amendment Regulations 2026 [PCO 28939/6.0];

3 **noted** that the Maritime Levies Amendment Regulations 2026 will come into force on 1 July 2027, aside from regulation 5 and Schedule 2, which relate to the Maritime Levy rates for years two and three (2028/29 and 2029/30) that come into force on 1 July 2028;

4 **noted** the advice of the Associate Minister of Transport that he has consulted such persons, representative groups within the maritime industry or elsewhere, government departments and Crown agencies as he considers appropriate in line with section 191(3A) of the Maritime Transport Act 1994.

Vivien Meek
Committee Secretary

Present:
Hon David Seymour
Rt Hon Winston Peters
Hon Scott Simpson (Chair)
Hon Tama Potaka
Hon Nicole McKee
Hon James Meager
Hon Cameron Brewer
Hon Mike Butterick
Stuart Smith MP

Officials present from:
Officials Committee for LEG

CAB-26-MIN-0252

Cabinet

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.

Report of the Cabinet Legislation Committee: Period Ended 31 July 2026

On 3 August 2026, Cabinet made the following decisions on the work of the Cabinet Legislation Committee for the period ended 31 July 2026

Out of Scope

LEG-26-MIN-0155	**Maritime Levies Amendment Regulations 2026** Portfolio: Associate Transport	CONFIRMED

Rachel Hayward
Secretary of the Cabinet