

# *Vote Agriculture and Forestry*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Agriculture (M2)

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry

MINISTER RESPONSIBLE FOR MINISTRY OF AGRICULTURE AND FORESTRY: Minister of Agriculture

## Overview of the Vote

The Minister of Agriculture is responsible for appropriations in the Vote for the 2008/09 financial year covering the following:

- a total of nearly \$28 million for policy advice with respect to the agricultural, forestry and horticultural sectors
- a total of over \$43 million to support the Government's commitment on climate change under the Kyoto Protocol
- a total of over \$2 million for administering the legislative provisions relating to the management of indigenous forests
- a total of over \$2 million for setting of animal welfare standards, provision of animal welfare policy advice and investigations and prosecutions of breaches of the Animal Welfare Act 1999
- a total of over \$3 million for management of Crown forestry assets, the East Coast Forestry Project and the Sustainable Farming Fund
- a total of over \$9 million for providing support services and infrastructure to other agencies
- a total of over \$77 million on purchasing forest management and wood production services from sector contractors for Crown forests
- a total of over \$22 million for East Coast forestry grants, sustainable farming fund grants, community irrigation fund and the afforestation grants scheme
- a total of over \$3 million on other non-departmental expenses, including subscriptions to international organisations, possible adverse climatic events, community irrigation scheme, and organic initiatives
- a total of over \$16 million for departmental capital expenditure on property, plant, equipment and IT software
- a total of \$700 million for capital contributions to the Crown entity that will manage the Government's investment in pastoral and food innovation.

Details of these appropriations are set out in Parts 2-6 for Vote Agriculture and Forestry in the Information Supporting the Estimates of Appropriations.

# Details of Appropriations

## Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Administration of Indigenous Forestry Provisions (M2)</b> Administration of the indigenous forestry provisions of the Forests Act 1949, with the purpose of promoting the sustainable forest management of indigenous forest land.	2,211	2,111	2,181
<b>Agriculture and Forestry Policy Advice (M2)</b> Policy advice in regard to the agricultural, forestry and horticultural sectors, and ministerial services.	27,558	25,735	27,987
<b>Animal Welfare (M2)</b> Setting of animal welfare standards and investigations and prosecutions of breaches of the Animal Welfare Act 1999.	2,639	2,639	2,640
<b>Climate Change (M2)</b> Policy advice and implementation, operational costs and fulfilling international obligations to support the Government's commitment on climate change under the Kyoto Protocol.	27,394	22,774	43,384
<b>Contract, Grant and Asset Management (M2)</b> Management of the Crown's ownership interest in forests established on Crown-Owned and leased Māori land. Management of the Sustainable Farming Fund, East Coast Forestry Project and flood relief programmes.	3,547	3,447	3,626
<b>Support Services and Infrastructure to Other Agencies RDA (M2)</b> This appropriation is limited to the provision of support services to other agencies, including financial, personnel and information technology services and subleasing of surplus accommodation.	9,600	10,100	9,600
<b>Total Departmental Output Expenses</b>	<b>72,949</b>	<b>66,806</b>	<b>89,418</b>
<b>Non-Departmental Output Expenses</b>			
<b>Management of Crown Forestry Assets (M2)</b> Payments for forest and asset management of Crown forests established on both Crown-Owned and leased Māori land and 13 leases of Crown-Owned land to other parties for forestry purposes.	71,306	67,660	77,253
<b>Total Non-Departmental Output Expenses</b>	<b>71,306</b>	<b>67,660</b>	<b>77,253</b>
<b>Non-Departmental Other Expenses</b>			
<b>Adverse Climatic Events (M2)</b> Support to the agriculture and horticulture industries in the aftermath of adverse climatic events.	1,386	1,000	636
<b>Afforestation Grants Scheme (M2)</b> Payment of grants under the Afforestation Grants Scheme.	-	-	5,000
<b>Community Irrigation Fund (M2)</b> Payment of grants under the Community Irrigation Fund	-	-	243
<b>Community Irrigation Schemes (M2)</b> Operating and maintaining Crown irrigation schemes.	17	17	17
<b>East Coast Afforestation Grants (M2)</b> Grants to approved private forest growers under the Forestry (East Coast) Grants Regulations 1992.	4,953	1,800	8,803

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Non-Departmental Other Expenses - cont'd</b>			
<b>Organic Initiatives (M2)</b> Delivery of an organic sector advisory programme.	750	750	750
<b>Subscriptions to International Organisations (M2)</b> Membership of various international organisations in particular the Food and Agriculture Organisation of the United Nations (FAO).	1,898	1,600	2,028
<b>Sustainable Farming Fund (M2)</b> Contestable fund for community driven programmes aimed at improving economic and environmental performance of land-based productive sectors.	8,444	8,444	8,444
<b>Bioenergy Development Fund (M2)</b> Payment of grants under the Bioenergy Development Fund.	1,700	1,700	-
<b>Total Non-Departmental Other Expenses</b>	19,148	15,311	25,921
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Agriculture and Forestry - Capital Expenditure PLA (M2)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Agriculture and Forestry, as authorised by section 24(1) of the Public Finance Act 1989	12,000	12,000	16,600
<b>Total Departmental Capital Expenditure</b>	12,000	12,000	16,600
<b>Non-Departmental Capital Expenditure</b>			
<b>Crown Forestry Assets (M2)</b> This appropriation is limited to capital expenditure on Crown forests, including roading, bridges, fencing and fire equipment.	-	-	70
<b>New Zealand Fast Forward Fund (M2)</b> This appropriation is limited to equity in a Crown entity that will be used over time to fund pastoral and food innovation initiatives and the Crown's share of associated administrative costs.	-	-	700,000
<b>Total Non-Departmental Capital Expenditure</b>	-	-	700,070
<b>Total Annual and Permanent Appropriations</b>	175,403	161,777	909,262

# Details of Projected Movements in Departmental Net Assets

## Ministry of Agriculture and Forestry

Details of Net Asset Schedule	Estimated Actual 2007/08 \$000	Projected 2008/09 \$000	Explanation of Projected Movements in 2008/09
Opening Balance	25,584	32,205	
Capital Injections	7,216	6,809	Continued development of IT software to support biosecurity and climate change information systems.
Capital Withdrawals	(595)	(595)	Part repayment of capital injection received for MAF Head Office accommodation project.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	32,205	38,419	