



Cabinet

CAB Min (08) 14/1(1)

Minute of Decision

Copy Number:

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2008 Budget Package: Vote Agriculture and Forestry

On 14 April 2008, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2008 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
4637	Inter-Agency Resource Needs for Trade Agreements	-	0.150	-	-	-
Total Operating		-	0.150	-	-	-

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
4610	Te Manawa-O-Tuhoe Forest Bridge	-	0.070	-	-	-
4876	National Animal Identification and Traceability/New Zealand FarmsOnLine	-	5.900	4.180	-	-
Total Capital		-	5.970	4.180	-	-

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;
- 4 **agreed** that the proposed changes to appropriations and/or projected balances of net assets for 2007/08 above be included in the 2007/08 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2007/08 Supplementary Estimates, the 2008/09 Estimates and the fiscal forecasts;

- 6 **noted** that all communications relating to the 2008 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]

Secretary of the Cabinet

Reference: 2008 Budget package tabled
by the Minister of Finance

Distribution:

Prime Minister

Chief Executive, DPMC

Director PAG, DPMC

Minister of Finance

Secretary to the Treasury

Minister of Agriculture

Chief Executive, MAF (Agriculture)

Chief Executive, MAF (Forestry)

Associate Minister of Finance (Hon Trevor Mallard)

Controller and Auditor-General

Initiative No: 4610

Vote: Agriculture and Forestry

Title: Te Manawa-O-Tuhoe Forest Bridge

Description: Capital funding to build a bridge across the Waihua stream, a tributary of the Rangitaiki River north of Murupara, to allow 90,000 tonnes of mature radiata pine logs to be harvested.

Theme: Economic Transformation

Theme Objective: Non-specific theme objective

Performance Information

Performance Text

Funding is needed to ensure that the Ministry of Agriculture and Forestry (MAF) prudently manages the commercial Te Manawa-O-Tuhoe forestry asset.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	0.070	-	-	-
No Impact	-	-	-	-	-
Total	-	0.070	-	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Capital Expenditure: Crown Forestry Assets	-	0.070	-	-	-
Total Operating	-	-	-	-	-
Total Capital	-	0.070	-	-	-

Initiative No: 4637

Vote: Agriculture and Forestry**Title:** Inter-Agency Resource Needs for Trade Agreements**Description:** Increased resources to assist MAF in negotiating and implementing sanitary and phytosanitary (SPS) commitments in free trade agreements (FTA), and to build agricultural co-operation leading to and as part of negotiated commitments.**Theme:** Economic Transformation**Theme Objective:**

Globally competitive firms: business internationalisation

Performance Information**Performance Text**

This programme consists of both SPS implementation and Agricultural Co-operation. The former comprises the following activities: servicing of the FTA SPS Management Committee, market access development and management, and specific co-operation activities. Agricultural co-operation consists of both activities to influence target countries to enter into FTA negotiations with New Zealand, and the provision of specific co-operation activities as requested or agreed in FTA negotiations.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	0.150	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.150	-	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Agriculture and Forestry Policy Advice (funded by Revenue Crown)	-	0.150	-	-	-
Total Operating	-	0.150	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 4876**Vote:** Agriculture and Forestry**Title:** National Animal Identification and Traceability/New Zealand FarmsOnLine**Description:** Capital requirements to implement New Zealand FarmsOnline, which will provide comprehensive information on rural properties, and National Animal Identification and Traceability (NAIT). The two systems will enhance effective biosecurity management going forward.**Theme:** Economic Transformation **Theme Objective:** Innovative and productive workplaces: other action**Performance Information****Performance Table**

	Unit of Measurement	Performance Specification				
		2007/08	2008/09	2009/10	2010/11	2011/12
Quantity						
FarmsOnline property coverage	Percentage mapped	85	89	93	96	98
FarmsOnline - enterprise contact coverage	Percentage properties	70	70	75	80	90
NAIT - cattle & deer properties captured on database	Percentage	0	0	0	90	98
NAIT - full traceability of animals in system - pilot 09/10 and 10/11	Percentage tested	0	0	90	90	95
NAIT - ability to determine locations where infected animal resided in previous month	Days	0	30	30	30	5

Performance Text

FarmOnLine: Possible unquantified cost saving from existing Animal Health Board call centre operation no longer needed. NAIT: Voluntary standards implemented for cattle and deer sectors by July 2009; proposed legislative changes required to implement NAIT tabled for 2009 Legislation Programme.

Initiative No: 4876

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	5.900	4.180	-	-
No Impact	-	-	-	-	-
Total	-	5.900	4.180	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Net Asset Schedule: Capital Investment	-	5.900	4.180	-	-
Total Operating	-	-	-	-	-
Total Capital	-	5.900	4.180	-	-