

VOTE *Food Safety*

Food Safety

Overview

Appropriations sought for Vote Food Safety in 2006/07 total \$78.917 million. This is intended to be spent as follows:

- \$2.444 million (3.1% of the Vote) on providing policy advice.
- \$33.969 million (43% of the Vote) on setting of regulatory standards for food and food related products.
- \$236,000 (0.3% of the Vote) on responses to food safety emergencies.
- \$3.866 million (4.9% of the Vote) on systems audit and enforcement.
- \$2.375 million (3% of the Vote) on consultation and food safety information.
- \$36.027 million (45.7% of the Vote) on delivery of regulatory programmes.

Departmental appropriations totalling \$78.917 million are funded by \$24.749 million (31%) of revenue Crown and \$54.168 million (69%) of revenue other.

Further information and explanations of the appropriations appear in Parts B1 and C of this Vote.

Terms and Definitions Used

ESR	Institute of Environmental Science and Research Ltd
MAF	Ministry of Agriculture and Forestry
NZFSA	New Zealand Food Safety Authority
PHU	Public Health Unit

Minister Portfolio Table

33	Minister for Food Safety
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Food Safety

VOTE MINISTER: Minister for Food Safety

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry

The Minister of Agriculture is the Responsible Minister for the Ministry of Agriculture and Forestry

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote

Related Government Outcomes

The appropriations in Vote Food Safety will make a significant contribution to the Government's priorities. They will fund advice and services from the New Zealand Food Safety Authority (NZFSA) aimed at protecting and promoting public health and safety in relation to food and food-related products and developing the economy by facilitating access to international markets for food and food-related products.

In particular they will contribute to the following Government themes:

- economic transformation, and
- families - young and old.

Context

For New Zealand, safe food is a priority, not just to protect the health of New Zealanders but also because exports of food and beverages form the basis of our economic well-being. More than 80% of the food produced here is exported, providing almost half of our export income. New Zealand food exports must meet the requirements of an increasingly demanding global environment. Few countries are as dependent as is New Zealand on a sound food regulatory programme to care for both domestic consumers and critical export food industries.

NZFSA is a semi-autonomous body attached to the Ministry of Agriculture and Forestry (MAF) and its outcomes and objectives are reflected in the MAF Statement of Intent.

Outcomes

The work of NZFSA contributes to three strategic outcomes for New Zealand:

- healthy New Zealanders
- New Zealand's economic growth and prosperity enhanced through high-performing and innovative agricultural, horticultural, food and forestry sectors
- safe, freer, rules-based and non-distortionary trade.

NZFSA has three major strategic objectives for 2006/07 to deliver on these overarching outcomes:

1 A food regulatory programme that protects and promotes consumer health

NZFSA has two intermediate outcomes for this objective:

- improved safety and suitability of food
- informed and involved consumers.

2 A food regulatory programme that supports New Zealand's economic growth and prosperity

NZFSA has one intermediate outcome for this objective:

- a food regulatory programme that enhances the business environment.

3 Maintain and enhance New Zealand's international trade in food and food-related products

Two intermediate outcomes have been identified for this objective:

- New Zealand's position as a trusted supplier of food and food-related products is enhanced
- trade is maintained and enhanced according to international rules.

To achieve these outcomes NZFSA must implement a food regulatory programme that meets New Zealand's needs for the foreseeable future. It must take account of rapidly shifting consumer behaviour and expectations, changing food production and distribution systems, industry innovations and needs and new and emerging pathogens and other risks. It must also take into account, and influence for New Zealand's benefit, the ever changing multi and bilateral market access rules based trading environment.

Output Expenses

To achieve these objectives, the appropriations in Vote Food Safety are intended to fund a wide range of activities, including policy advice and/or other services relating to:

- food safety policies and strategies influencing consumer health, economic growth and prosperity and international trade
- regulatory standards for food and food-related products
- responses to food safety emergencies
- systems audit and enforcement
- consultation and the communication of food safety information, and
- regulatory food programmes.

Part A2 - Trends in Vote

Vote Food Safety was established on 1 July 2002.

A number of Vote Food Safety outputs are revenue-dependent appropriations and change according to the level of activity each year.

In 2003/04, additional Crown funding was provided to address cost recovery inequities arising from the establishment of the new Vote and the NZFSA.

In 2004/05 additional Crown funding was provided for:

- report backs and addressing identified gaps following the establishment of the NZFSA
- implementation of a document and records management system
- employment negotiations
- new MAF Head Office accommodation
- improving MAF's corporate capability.

In 2005/06 additional Crown funding was provided for:

- facilitate alignment of NZFSA Public Health Unit and research and monitoring contracts
- wine export certification and testing.

For 2006/07 additional Crown funding has been provided to maintain alignment of NZFSA's public health unit and research monitoring contracts.

New Policy Initiatives by Appropriation

Initiative	Appropriation as shown in Part B	\$000 increase/(decrease)				
		2005/06	2006/07	2007/08	2008/09	2009/10
Population Based Funding Arrangements for PHU and ESR Contracts	Departmental Output Expense - Regulatory Standards	-	120	120	120	120
	Departmental Output Expense - Regulatory Programmes	-	105	105	105	105
Total Initiatives		-	225	225	225	225

Part B - Statement of Appropriations

Summary of Financial Activity

	2001/02	2002/03	2003/04	2004/05	2005/06		2006/07 Appropriations to be Used				2007/08	2008/09	2009/10	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
Appropriations														
Output Expenses	-	62,694	65,873	73,763	79,810	78,910	78,917	-	-	-	78,917	78,897	78,897	78,897
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
Total Appropriations	-	62,694	65,873	73,763	79,810	78,910	78,917	-	-	-	78,917	78,897	78,897	78,897
Crown Revenue and Receipts														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Total Crown Revenue and Receipts	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-

Part B1 - Details of Appropriations

Appropriations	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Expenses (General)							
Consultation and Food Safety Information (M33)	2,361	-	2,321	-	2,375	-	Consultation and communication of food safety information and other relevant matters to stakeholders (including the public).
Food Safety Policy Advice (M33)	2,399	-	2,399	-	2,444	-	Policy advice and decision support to the Government on food safety and related issues.
Regulatory Programmes (M33)	35,922	-	35,422	-	36,027	-	The delivery of regulatory programmes by District Health Boards and the NZFSA Verification Agency. Reason for Change: Increased costs of Public Health Unit contracts due to inflation and population changes.
Regulatory Standards (M33)	35,050	-	34,690	-	33,969	-	Setting of technical standards to ensure food-related products are produced in accordance with New Zealand legislation and meet requirements negotiated with countries that import New Zealand products. Reason for Change: The decrease in 2006/07 is mainly due to one-off funding in 2005/06 for wine export certification and testing.
Response to Food Safety Emergencies (M33)	236	-	236	-	236	-	Response preparedness, food recalls and actual responses to food safety emergencies.
Systems Audit and Enforcement (M33)	3,842	-	3,842	-	3,866	-	Audit of component systems and specific areas within the regulatory programme, as well as investigations of problems, complaints and breaches of legislation.
Total Departmental Output Expenses (General)	79,810	-	78,910	-	78,917	-	
Total Appropriations	79,810	-	78,910	-	78,917	-	

Part C - Explanation of Appropriations for Output Expenses

Part C1 - Departmental Output Expenses

Consultation and Food Safety Information

Consultation with stakeholders (including the public) and other key groups including the New Zealand Food Safety Advisory Board, the Consumers Forum and the Officials Committee on Food Safety is included in this output expense. Also included is communication of food safety information, particularly regulatory, scientific and other relevant matters to stakeholders, consumer food safety education and information and communication aspects of managing issues.

Food Safety Policy Advice

This output expense includes purchasing policy advice and decision support for the Minister and Government on food safety and related issues. It includes analysis and advice on legislation and policy to be applied to all aspects of food administration to ensure a robust, modern, comprehensive legislative base, implementation tools, and mechanisms to measure its effectiveness. Services to assist the Minister are also included.

Regulatory Programmes

This output expense covers those core and primary components of the regulatory programme where arrangements exist to contract regulatory services.

District Health Boards are contracted to provide a range of functions across the public health continuum including oversight of parts of the programme at a local level; investigation of possible cases of food-borne illness and linkage to wider public health areas.

NZFSA Verification Agency provides verification functions to the animal products industries.

Regulatory Standards

Food and food-related products must be produced in accordance with New Zealand legislation and, where appropriate, meet the requirements negotiated with countries importing New Zealand products to enable official assurances necessary for market access. Regulatory Standards covers the setting of technical standards to achieve this and to otherwise meet consumer protection requirements. Standards for ancillary legislation associated with controls on inputs into food protection are included. The setting of operational standards and the development of monitoring and review mechanisms to measure performance and to support reports to the Minister, as well as providing official assurances are included.

Specific activities include the development of standards for:

- development of science programmes to provide information necessary for standard setting
- processed foods and retail sale
- composition and labelling
- food imports

- primary processing and exports of dairy, wine and plant products
- primary processing and exports of animal products
- agricultural compounds, veterinary medicines and chemical contaminants.

Response to "Food Safety" Emergencies

Food safety emergencies are to be expected and need to be handled in a systematic manner. The setting of standards for this purpose is covered, including food safety emergencies where there is a need to be prepared for emergencies and to handle events in a systematic manner to reduce threats to human health and/or impacts on the integrity of the programme. It includes the co-ordination of routine food recalls and communication with affected parties and those at risk as well as responses to food safety emergencies. Responses are demand driven and budgeted on a case by case basis.

Specific activities will include advice on and activities related to:

- response preparedness
- management of food recalls
- responses to food emergencies.

Systems Audit and Enforcement

This output expense covers the audit of component systems and specific areas within the food regulatory programme, as well as investigations of problems and complaints and suspected breaches of legislation. It includes obtaining the necessary evidence that the programme is effective in meeting policy objectives and that it is being enforced.

Specific activities include:

- monitoring and surveillance for compliance with standards
- consumer complaints and food-borne illness
- investigation of suspected illegal activity
- prosecutions.