



Cabinet

CAB Min (07) 12/1(2)

Minute of Decision

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Minister of Agriculture
Minister of Forestry

Copies to:

Prime Minister
Deputy Prime Minister
Minister of Finance
Hon Jim Anderton
Associate Minister of Finance
(Hon Trevor Mallard)
Controller and Auditor-General

2007 Budget Package: Vote Agriculture and Forestry

On 19 April 2007, Cabinet:

1. **approved** the Budget initiatives for the above Vote for inclusion in the 2007 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)				
		2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
4106	Building Rural Capacity to Respond to Adverse Events	-	0.680	0.710	0.500	0.360
4109	Staff Remuneration	-	0.867	1.441	2.036	2.568
4118	New Zealand Primary Industry Congress and Product/Technology Showcases	-	1.000	-	-	-
4148	Sustainable Land Management Programme	-	2.500	2.500	2.500	2.500
4589	International Leadership on Climate Change Research in Agriculture and Forestry	-	1.000	1.000	1.000	1.000
Total Operating		-	6.047	5.651	6.036	6.428

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
4573	Effective Border Management	-	1.184	0.109	-	-
4574	Implementation of Food Reviews	-	-	0.900	-	-
Total Capital		-	1.184	1.009	-	-

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. **approved** the additional recommendations (where applicable) to give effect to the initiatives, as set out in the attached initiative documents;
5. **agreed** that the proposed changes to appropriations and/or projected balances of net assets for 2006/07 above be included in the 2006/07 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
6. **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 2006/07 Supplementary Estimates, the 2007/08 Estimates and the fiscal forecasts;
7. **noted** that all communications relating to the 2007 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.

Secretary of the Cabinet

References: CAB (07) 135, CAB (07) 135A

Initiative No: 4106**Vote:** Agriculture and Forestry**Title:** Building Rural Capacity to Respond to Adverse Events**Description:** Build capability in rural support trusts or similar entities, in all regions, to assist in the response to, and recovery from, adverse events experienced by the rural sector.**Theme:** Economic Transformation**Theme Objective:** Sustainable, natural resources**Performance Information****Performance Text**

Nation-wide coverage of operational rural support trusts or similar entities capable of participating in both the response and recovery phase of adverse events affecting the rural sector by 2008/09. Capability within MAF by 2007/08 to develop and support the trusts, share good practice, link the work of the trusts with other agencies, and prepare procedures and support material for a recovery programme following a major event.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	0.680	0.710	0.500	0.360
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.680	0.710	0.500	0.360

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General): Agriculture and Forestry Policy Advice (funded by Revenue Crown)	-	0.400	0.430	0.360	0.360
Other Expenses to be Incurred by the Crown: Adverse Climatic Events	-	0.280	0.280	0.140	-
Total Operating	-	0.680	0.710	0.500	0.360
Total Capital	-	-	-	-	-

Vote: Agriculture and Forestry

Title: Staff Remuneration

Description: Restore and maintain the Ministry of Agriculture and Forestry's core capability by addressing remuneration pressures.

Theme: Economic Transformation

Theme Objective: Non-specific

Performance Information

Performance Text

Increase in calibre of new recruits, reduction in number of unfilled vacancies, reduction in employment offers declined over pay, reduction in time to fill advertised vacancies.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Operating Balance Impact	-	0.867	1.441	2.036	2.568
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.867	1.441	2.036	2.568

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Departmental Output Expenses (General):					
Administration of Indigenous Forestry Provisions (funded by Revenue Crown)	-	0.051	0.086	0.120	0.153
Agriculture and Forestry Policy Advice (funded by Revenue Crown)	-	0.734	1.216	1.722	2.172
Contract, Grant and Asset Management (funded by Revenue Crown)	-	0.082	0.139	0.194	0.243
Total Operating	-	0.867	1.441	2.036	2.568
Total Capital	-	-	-	-	-

Vote: Agriculture and Forestry

Title: New Zealand Primary Industry Congress and Product/Technology Showcases

Description: A high profile centrepiece conference event themed around the critical role of the primary sector in sustainable economic transformation.

Theme: Economic Transformation

Theme Objective: Firms' international links

Performance Information

Performance Table

	Unit of Measurement	Performance Specification				
		2006/07	2007/08	2008/09	2009/10	2010/11
Quantity						
Number of participants	People	0	600	0	0	0

Performance Text

The congress will aim to inspire a fresh sense of urgency in primary sector businesses about the need for growth and transformation; increase sector cohesion and facilitate new business networks; and increase business and public awareness of the importance of the primary sector to New Zealand's overall prosperity.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	0.300	-	-	-
Total	-	1.300	-	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Agriculture and Forestry Policy Advice (funded by Revenue Other)	-	0.300	-	-	-
Agriculture and Forestry Policy Advice (funded by Revenue Crown)	-	1.000	-	-	-
Total Operating	-	1.300	-	-	-
Total Capital	-	-	-	-	-

Vote: Agriculture and Forestry

Title: Sustainable Land Management Programme

Description: This programme will achieve government erosion treatment outcomes through contracted regional sustainable land management initiatives and national projects on resource information and catchment group facilitation.

Theme: Economic Transformation

Theme Objective: Sustainable, natural resources

Performance Information

Performance Text

Two approved contracted initiatives under the Sustainable Land Management (Hill Country Erosion) Framework which include a commitment to treat an additional 1,500 hectares of severely erodible land in year 1 and 200 hectares in year 2. Provide enhanced mapping and resource modelling tools for regions and a roadmap for science to underpin treatment of erosion prone soils. Establishment of four integrated catchment management groups in targeted hill country erosion control catchments.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	2.500	2.500	2.500	2.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.500	2.500	2.500	2.500

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General): Agriculture and Forestry Policy Advice (funded by Revenue Crown)	-	2.500	2.500	2.500	2.500
Total Operating	-	2.500	2.500	2.500	2.500
Total Capital	-	-	-	-	-

Vote: Agriculture and Forestry

Title: Effective Border Management

Description: Capital associated with a Vote Biosecurity bid to maintain the Ministry of Agriculture and Forestry's border inspection capability; improve future border regulation and operations; increase stakeholder involvement and compliance; and improve border enforcement operations.

Theme: Economic Transformation

Theme Objective: Sustainable, natural resources

Performance Information

Performance Table

	Unit of Measurement	Performance Specification				
		2006/07	2007/08	2008/09	2009/10	2010/11
Quantity						
Infringements per thousand arriving passengers	Number	1.5	1.5	1.5	1.5	1.5
Seizures per thousand arriving passengers	Number	28	28	28	28	28
Arriving passengers per FTE	Number	15,467	15,467	15,467	15,467	15,467
Arriving flights per FTE	Number	100	100	100	100	100
Seizures per thousand mail items opened	Number	233	233	233	233	233
Crown funded risk analyses	Number	0	5	8	12	12
Crown funded import health standards	Number	0	3	5	8	12
Crown funded offshore audits - facilities and pathways	Number	0	1	6	10	10
Mail items processed per FTE	Number	1,299,094	1,299,094	1,299,094	1,299,094	1,299,094
Pathway risk profiles	Number	0	5	15	20	20
Organism identifications	Number	0	1,500	1,500	1,500	1,500
On shore co-regulation agreements with importers	Number	0	2	3	3	3

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	1.184	0.109	-	-
No Impact	-	-	-	-	-
Total	-	1.184	0.109	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Net Asset Schedule:					
Capital Investment	-	1.184	0.109	-	-
Total Operating	-	-	-	-	-
Total Capital	-	1.184	0.109	-	-

Vote: Agriculture and Forestry

Title: Implementation of Food Reviews

Description: Capital associated with a Vote Food Safety initiative for the implementation of food reviews.

Theme: Economic Transformation

Theme Objective: Firms' innovative capacity

Performance Information

Performance Text

The New Zealand Food Safety Authority currently has a programme underway to identify performance measures for the implementation. Government's expectations are that it will reduce foodborne illness, provide a comprehensive, coherent and seamless cost effective food regulatory infrastructure, clarify responsibilities and protect New Zealand's reputation as a producer of safe food.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	0.900	-	-
No Impact	-	-	-	-	-
Total	-	-	0.900	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Net Asset Schedule:					
Capital Investment	-	-	0.900	-	-
Total Operating	-	-	-	-	-
Total Capital	-	-	0.900	-	-

Initiative No: 4589

Vote: Agriculture and Forestry**Title:** International Leadership on Climate Change Research in Agriculture and Forestry**Description:** Development of leadership by New Zealand on agricultural and forestry greenhouse gas research, establishment of international partnerships and undertaking key science activities.**Theme:** Economic Transformation**Theme Objective:** Non-specific**Performance Information****Performance Text**

Demonstrate and support New Zealand's leadership of agriculture and forestry through: strategic capacity building/technology transfer in developing countries and promotion of New Zealand science abroad, recognition of difficulties of agriculture greenhouse gas measurement and mitigation, formalisation of international agriculture research partnership, and attract foreign investment in New Zealand science.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.000	1.000	1.000	1.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	1.000	1.000	1.000

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Climate Change (funded by Revenue Crown)	-	1.000	1.000	1.000	1.000
Total Operating	-	1.000	1.000	1.000	1.000
Total Capital	-	-	-	-	-