

VOTE *Fisheries*

Fisheries

Overview

Appropriations sought for Vote Fisheries for the 2001/2002 financial year total \$70.429 million. It is estimated that \$31.784 million (inclusive of GST) of this amount will be recovered from the fishing industry through the cost recovery provisions of the Fisheries Act 1996. A breakdown of the cost of services to be purchased is as follows:

- \$9.870 million on purchasing policy advice to underpin the legal and conceptual framework for the sustainable utilisation of fisheries.
- \$18.671 million on purchasing research and other services relating to the gathering and analysis of data about New Zealand's fisheries to support decisions about sustainable utilisation.
- \$8.164 million purchasing services to develop guidelines, regulations and processes which make the fisheries policy framework operational.
- \$10.638 million on purchasing services associated with fisheries access including the issue of fishing permits and licences and management of registry and recording systems.
- \$18.731 million on purchasing services and processes that promote compliance with fisheries laws and lead to the detection of those involved in illegal fishing activities.
- \$3.376 million on purchasing services related to the prosecution of offences detected against fisheries laws.

The remaining amount (\$0.979 million) relates to other expenses (\$0.225 million), compensation for quota reductions (\$0.224 million), levies on Crown-owned quota (\$0.190 million), trust account distribution (\$0.240 million) and a capital contribution (\$0.100 million).

The Minister of Fisheries consults annually with fisheries stakeholders on the fisheries services to be provided by the Ministry of Fisheries and their associated costs. For this reason, the final level and hence cost of services funded through Vote Fisheries for the 2001/2002 financial year will not be determined until the completion of this consultation process.

Details of the Ministry's appropriations appear in Parts B1, C, and E of this Vote.

Terms and Definitions Used

CCAMLR	Commission for the Conservation of Antarctic Marine Living Resources
CCSBT	Convention for the Conservation of Southern Bluefin Tuna
Cost recovery	The recovery from the commercial fishing industry of costs incurred by the Crown to manage New Zealand's fisheries resources as a result of the existence or activities of the commercial fishing industry
MFish	The Ministry of Fisheries
Stakeholders	<p>Persons and organisations who have a shared interest in the utilisation of fisheries resources and the sustainability of those resources. These include:</p> <ul style="list-style-type: none"> • agencies and groups with interests in marine ecosystems and the fisheries environment • recreational fishers • commercial fishers and other members of the seafood industry <p>The nature of the special relationship between the Crown and Maori based on the Treaty of Waitangi acknowledges the particular interest Maori have in the utilisation of fisheries resources and their sustainability</p>
Sustainability	The capacity of fisheries resources to meet the reasonably foreseeable needs of future generations
Utilisation	Conserving, using, enhancing and developing fisheries resources to enable people to provide for their social, economic and cultural wellbeing

Fisheries

VOTE MINISTER: Minister of Fisheries

ADMINISTERING DEPARTMENT: Ministry of Fisheries

The Minister of Fisheries is the Responsible Minister for the Ministry of Fisheries

Part A - Statement of Objectives and Trends

Part A1 - Objectives for Vote Fisheries

Related Government Outcomes

The appropriations in Vote Fisheries will assist in the achievement of the following Government Goals:

- Strengthen national identity and uphold the principles of the Treaty of Waitangi.
- Grow an inclusive, innovative economy for the benefit of all.
- Restore trust in Government and provide strong social services.
- Protect and enhance the environment.

Minister's priority

The Minister's priority for fisheries management is to enhance the value and enjoyment of New Zealand's fisheries for all New Zealanders. Specific strategies to achieve this outcome are:

- achieving a greater environmental focus for fisheries management, and
- creating greater opportunities for stakeholder involvement in fisheries management.

These strategies are consistent with the Government's commitment to ecologically sustainable development and the Crown meeting its Treaty of Waitangi obligations.

Ministry key work areas

The Ministry's key work areas for 2001/02 include:

- Implementing marine biodiversity initiatives, including biosecurity
- Contributing to an integrated oceans policy
- Progressing fisheries plans
- Improving management of aquaculture
- Improving recreational fisheries management
- Improving management of species outside of the Quota Management System
- Fostering international fisheries opportunities

- Delivering registry and related services
- Providing for direct purchase of research services
- An updated Treaty strategy for the Ministry
- An environmental management strategy for the Ministry
- A risk management strategy
- Organisational capability
- Delivering on-going fisheries management responsibilities.

Links Between the Output Classes and the Government's Outcomes

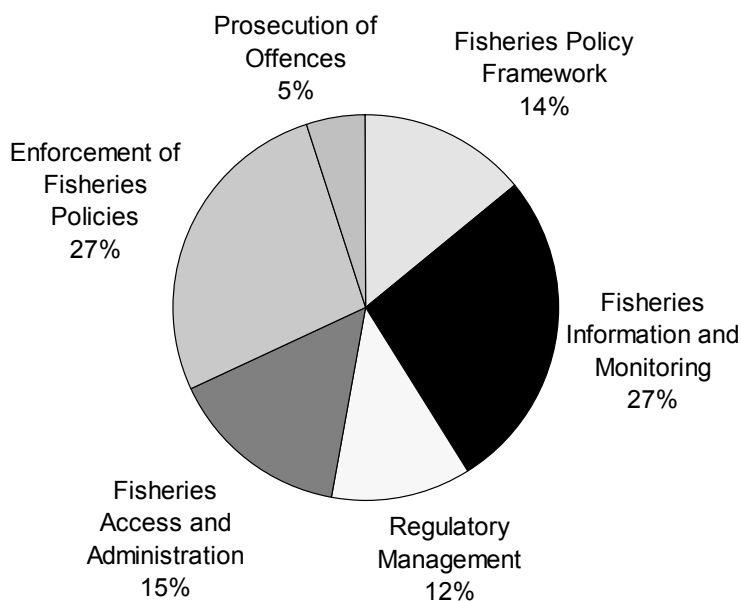
Each of the Ministry's output classes contributes, in varying degrees, to the Government goals. The links between the output classes and desired government outcomes follow.

Output Class	Related Outcomes
Policy Framework	<p>Contributes to the Government's goals by:</p> <ul style="list-style-type: none"> • providing advice required to underpin a conceptual and legal framework for the sustainable utilisation of New Zealand's fisheries resources; and • participating in the development and review of international fisheries frameworks.
Fisheries Information and Monitoring	<p>Contributes to the Government's goals by scientifically evaluating:</p> <ul style="list-style-type: none"> • sustainable yields from fisheries resources; • the effects of fishing on the aquatic environment, including on the viability of associated or dependent species; • the effects of fishing on the biological diversity of the aquatic environment; • alternative strategies for achieving the desired level of yield while avoiding, remedying, or mitigating adverse effects of fishing on the aquatic environment; • analysis of relevant cultural, economic; and social factors that may need to be included in the management decision process; and • the specific measures needed to implement the appropriate management strategy.

Output Class	Related Outcomes
Regulatory Management	<p>Contributes to the Government's goals by</p> <ul style="list-style-type: none"> • providing advice to support sustainable fisheries; • assessing special fisheries access requests; • supporting international fisheries arrangements; • advising on legislative and government regulatory processes; and • managing the cost recovery process through which levies are set for recovery from the commercial fishing sector of their share of fisheries services costs.
Fisheries Access and Administration	<p>Contributes to the Government's goals through:</p> <ul style="list-style-type: none"> • the issue of permits, licences and leases for access to New Zealand's fisheries; • the management of fisheries property rights; and • the devolution of registry and related services.
Enforcement of Fisheries Policies	<p>Contributes to the Government's goals through services designed to:</p> <ul style="list-style-type: none"> • achieve the highest levels of voluntary compliance with fisheries laws; and • deter non-compliance.
Prosecution of Offences	<p>Contributes to the Government's goals through services designed to</p> <ul style="list-style-type: none"> • prosecute those offenders found to have been illegally fishing.

2001/2002 Output Expenditure

Figure 1 - Expenditure by output class for 2001/2002



Source: Ministry of Fisheries

Part A2 - Trends in Vote Fisheries

Output Trends: 1997/98 to 2001/2002

Departmental

Total departmental output class expenditure has increased since 1997/98 as a result of the following initiatives:

- Progressive Implementation of the Fisheries Act 1996.
- Introduction of full contestability of contracts for fisheries research services.
- Increased enforcement effort in recreational fisheries.
- Implementation of customary fishing regulations.
- Increased resourcing for international policy initiatives and the building of increased policy capability.
- Initiatives specifically related to the development of New Zealand's biodiversity strategy.

Crown revenue

At this stage, revenue for 2001/2002 is forecast to be \$6.364 million below that for 2000/01, largely due to lower revenue from:

- cost recovery levies (\$2.932 million)
- disposal or surrender of fish when the fish are taken in excess of quota held (\$1.150 million) and
- Foreign licence fees (\$0.650 million).

Trends in Vote Fisheries - Summary of Appropriations and Crown Revenue

Types of Appropriation	1996/97	1997/98	1998/99	1999/2000	2000/01		2001/02 Appropriations to be Used				Total \$000		
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions				
							Annual \$000	Other \$000	Annual \$000	Other \$000			
Operating Flows													
Classes of Outputs to be Supplied	54,461	58,161	58,866	60,546	68,883	66,185	69,450	-	-	-	-	69,450	
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	N/A	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	N/A	-	-	-	-
Other Expenses	6,338	10,445	5,468	3,615	4,326	4,186	225	-	654	-	-	879	
Capital Flows													
Capital Contributions	1,568	500	-	-	10	10	100	-	-	-	-	100	
Purchase or Development of Capital Assets	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-
Total Appropriations	62,367	69,106	64,334	64,161	73,219	70,381	69,775	-	654	-	-	70,429	
Total Crown Revenue and Receipts	35,495	43,626	40,564	39,265	40,316	40,536	N/A	N/A	N/A	N/A	N/A	34,168	

Part B - Statement of Appropriations

Part B1 - Details of 2001/02 Appropriations

Appropriations	2000/01			2001/02		
	Vote		Estimated Actual	Vote		Other \$000
	Annual \$000	Other \$000		Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)						
D1 Policy Framework	7,034	-	6,482	-	9,870	-
D2 Fisheries Information and Monitoring	22,460	-	21,206	-	18,671	-
D3 Regulatory Management	6,272	-	6,097	-	8,164	-
D4 Fisheries Access and Administration	11,404	-	11,067	-	10,638	-
D5 Enforcement of Fisheries Policies	18,731	-	18,381	-	18,731	-
D6 Prosecution of Offences	2,982	-	2,952	-	3,376	-
Total Appropriations for Departmental Output Classes (Mode B Gross)	68,883	-	66,185	-	69,450	-
Other Expenses to be incurred by the Department						
Restructuring Expenses	225	-	225	-	225	-
Total Appropriations for Other Expenses to be incurred by the Department	225	-	225	-	225	-
						Description of 2001/02 Appropriations
						Provision of policy advice to underpin the legal and conceptual framework for the sustainable utilisation of fisheries.
						Research and other services relating to the gathering and analysis of data about New Zealand's fisheries to support decisions about sustainable utilisation.
						Services to develop guidelines, regulations and processes, which make the fisheries policy framework operational.
						Services associated with fisheries access, including the issue of fishing permits and licences, and management of registry and recording systems.
						Services and processes that promote compliance with fisheries laws and lead to detection of those involved in illegal fishing activities.
						Services relating to the prosecution of offences detected against fisheries laws.
						This expenditure relates to the implementation phase of the Ministry's organisational design project.

Part B1 - Details of 2001/02 Appropriations (continued)

	2000/01			2001/02		
	Vote		Estimated Actual	Vote		Other \$000
	Annual \$000	Other \$000		Annual \$000	Other \$000	
Appropriations						Description of 2001/02 Appropriations
Other Expenses to be Incurred by the Crown						
Bad Debt Write Off	2,500	-	2,500	-	-	This expenditure relates to the write off of unrecoverable Crown debts previously provided for in the provision for bad debts.
Compensation for Quota Reductions	711	-	711	-	224	Compensate commercial fishers for reductions in catch entitlements for species listed on the 4th schedule of the Fisheries Act 1996 that will occur when these species are introduced into the Quota Management System.
Crown-owned Quota Levy	190	-	50	-	190	All owners of quota shall be liable for cost-recovery levies. This expenditure relates to the Crown's share of such levies.
Trust Account Distribution	-	-	-	-	240	This expenditure provides for the distribution of the funds remaining in the Snapper Enhancement Trust Account.
Transfer of Quota	700	-	700	-	-	Transfer of quota from current Crown holdings.
Total Appropriations for Other Expenses to be Incurred by the Crown	4,101	-	3,961	-	654	
Capital Contributions to the Department						
Capital Investment	10	-	10	-	100	National Aquatic Biodiversity Information System.
Total Appropriations for Capital Contributions to the Department	10	-	10	-	100	
Total Appropriations	73,219	-	70,381	-	70,429	

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

The information set out below describes each output class and details its objectives and components. Full performance measurement information, including information on costs, is contained in the Ministry's Departmental Forecast Report for 2001/2002.

Output Class D1 - Policy Framework

Description

Under this class of outputs the Minister of Fisheries purchases policy advice to underpin the legal and conceptual framework for the sustainable utilisation of fisheries.

The objectives of this output class are to:

- provide and improve a conceptual and legal framework for the sustainable utilisation of the fisheries resource
- participate in the development and review of international frameworks and implement the decisions in a domestic context
- provide services to the Minister of Fisheries.

The Policy Framework output class consists of the following outputs:

- Evaluating sustainability outcomes: monitoring existing fisheries policies to assess the extent to which they are meeting the purposes and principles set out in Part II of the Fisheries Act 1996.
- Rights based framework: work associated with the better definition of rights for fisheries rights holders. It covers commercial, aquaculture, Maori and recreational fishing rights. In respect of Maori fisheries, this framework covers the commercial component of Maori fishing rights, the allocation of pre-settlement assets and advice provided on Treaty claim settlements, as well as protection of customary rights.
- Ecosystems based management framework: development of fisheries management frameworks that are consistent with a holistic ecosystem management approach to oceans resource management
- International frameworks: protecting and promoting New Zealand fisheries management interests through the development and review of international frameworks and ratification of international arrangements.
- Input into other related government frameworks: representing the perspective of the Ministry of Fisheries on related government agencies policy framework reviews.
- Ministerial servicing: providing services to the Ministers responsible for Vote Fisheries.
- Biodiversity strategy: implementing the biodiversity strategy approved in the 2000 Budget.

Output Class D2 - Fisheries Information and Monitoring

Description

Under this class of outputs the Minister of Fisheries purchases information provided through research and other services relating to the gathering and analysis of data about New Zealand's fisheries to support decisions about sustainable utilisation.

Research costs represent:

- Existing projects that have been consulted on in past years
- Proposed new projects.

The objectives of this output class are to:

- provide the information required to ensure the sustainable utilisation of New Zealand's fisheries resources
- manage fisheries to produce the goal of sustainable utilisation by scientifically evaluating:
 - sustainable yields from fisheries resources
 - the effects of fishing on the aquatic environment, including the viability of associated or dependent species
 - the effects of fishing on the biological diversity of the aquatic environment
 - alternative strategies for achieving the desired level of yield while avoiding, remedying or mitigating adverse effects of fishing on the aquatic environment
 - analysis of relevant cultural factors that may need to be included in the management decision process, and
 - the specific measures needed to implement the appropriate management strategy.

The outputs in the Fisheries Information and Monitoring output class are:

- Managing the research planning and assessment processes: the research planning process identifies and prioritises research requirements within specified research areas, and the stock assessment process uses the research and other information to evaluate the status of fishstocks.
- Fisheries resource research: research to determine the size, age, growth, mortality and recruitment of particular fish species.
- Harvest level research: research to determine the size of the total harvest from commercial, recreational and customary fishing.
- Aquatic environment (commercial fishing): research into the effects of fishing activity on the aquatic environment.
- Aquatic environment (habitats and trends): collection and analysis of information on the aquatic environment to provide support to fisheries indicators contained within the Environmental Indicator Performance Programme.

- People aspect research: research to gather social, economic and cultural information which could impact on fisheries management decisions.
- Monitoring harvest levels: monitoring and analysis of the quantity and quality of data received through the statutory fisheries reporting processes.
- Observer functions: the provision of reliable, accurate and independent catch effort information for use in the setting of commercial catch limits and the stock assessment process.

Output Class D3 - Regulatory Management

Description

In this output class the Minister of Fisheries purchases services to develop guidelines, regulations and processes, which make the fisheries policy framework operational.

The objectives of this output class are to:

- provide advice to support sustainable fisheries,
- assess special fisheries access requests,
- provide support for international fisheries arrangements,
- advise on legislative and government regulatory processes,
- manage the cost-recovery process.

The outputs in the Regulatory Management output class are:

- Sustainability and utilisation measures: the process of preparing advice papers and consulting with stakeholders on the proposed changes to sustainability measures and controls.
- Management of impacts of fishing: providing the capacity in the Ministry of Fisheries to undertake projects aimed at avoiding, mitigating and remedying the impacts of fishing on protected and other species.
- Assessment of management proposals: assessing specific fisheries management proposals under the fisheries legislation, including the management of local customary fisheries and the implementation of dispute resolution outcomes.
- Maintenance of international arrangements: participating in international fisheries arrangements, including the South Tasman Rise, US/Pacific states fora, CCSBT and CCAMLR.
- Legislative and regulatory processes: development of processes required to put into effect changes in fisheries legislation; input into statutory processes managed by other government or regional agencies which could impact on fisheries.
- Customary Māori fisheries: analysis of customary harvest data: advising the Minister on mechanisms for access to customary fisheries.
- Setting standards and specifications: developing standards and specifications for those fisheries management services that will be outsourced.
- Cost recovery: the process through which the Crown recovers costs from the commercial sector of the fishing industry.

Output Class D4 - Fisheries Access and Administration

Description

Under this class of outputs the Minister of Fisheries purchases services associated with fisheries access including the issue of fishing permits and licences and management of registry and recording systems.

The objectives of this output class are to:

- issue permits, licences and leases for access to New Zealand's fisheries
- maintain the quota register
- manage the statutory reporting functions associated with approved access to fisheries
- implement the devolution of registry-based and related services.

The outputs in the Fisheries Access and Administration output class are:

- Management of access for fishing activities: management of the processes relating to the granting of fisheries access rights.
- Management of commercial property rights: management of the fisheries property rights information bases.
- Devolution of services: implementing the devolution of non-core registry services.
- Delivery of registry services: managing external contracts with registry delivery agencies.

Output Class D5 - Enforcement of Fisheries Policies

Description

Under this output class the Minister of Fisheries purchases services and processes that promote compliance with fisheries laws and lead to detection of those involved in illegal fisheries activities.

The objectives of this output class are to:

- achieve the highest level of voluntary compliance with fisheries laws, and
- deter non-compliance.

The outputs in this output class are:

- Commercial: monitoring and offence detection relating to commercial fishing activity.
- Customary Māori: compliance activities in relation to people fishing for customary purposes.
- Recreational: compliance activities relating to recreational fishers.
- International: compliance activities relating to New Zealand vessels operating in international fisheries areas and foreign vessels operating in areas of New Zealand interest.

- Poaching and black market: monitoring and detecting poaching and black market fishing activity.

Output Class D6 - Prosecution of Offences

Description

Under this output class, the Minister of Fisheries purchases services relating to the prosecution of offences detected against fisheries laws.

The objective of this output class is to prosecute successfully those who have offended against fisheries laws.

The sole output in this output class is Management of Prosecutions.

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

Information regarding this appropriation is provided in Part B1.

Net Worth of Entities Owned

Statement of Estimated and Forecast Net Worth

Entities Owned	Balance Date	Estimated Net Worth 2001 \$ million	Forecast Net Worth 2002 \$ million
Ministry of Fisheries	30 June	7.782	7.657

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	2000/01		2001/02	Description of 2001/02 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Current Revenue				
Non-Tax Revenue				
Conservation Levy	1,697	1,697	1,053	Recovery of costs incurred by the Government on conservation services.
Cost Recovery - Crown Quota	169	44	169	All owners of quota are liable for cost recovery levies. This revenue relates to the Crown's share of these levies.
Cost Recovery	29,009	29,009	26,596	Charging of costs of fisheries management undertaken by the Crown.
Deemed Values	6,200	6,200	5,500	Revenue expected to be paid by quota-holders who have overfished.
Doubtful Debts Recovered	-	18	-	Recognition of a previously assessed doubtful debt.
Fisheries Revenue from Forfeitures	100	100	500	Includes redemption fees imposed by the Minister on forfeit property, proceeds of forfeit property, including vessels' fishing gear and fish quota.
Foreign Licence Fees	950	950	300	Income received from other nations, pursuant to bilateral agreements with New Zealand, fishing under licence in the New Zealand exclusive economic zone.
Sale of Quota	1	1	-	Profit realised on sale of Crown owned quota.
Surrendered and Seized Fish	900	1,200	50	Income in lieu of disposal or surrender of fish when the fish are taken in excess of quota held.
Trust Account Distribution	213	213	-	This revenue provides for the closure of the Snapper Enhancement Trust Account.
Other Revenue	1,073	1,100	-	Miscellaneous Revenues
Total Non-Tax Revenue	40,312	40,532	34,168	
Total Current Revenue	40,312	40,532	34,168	

Part F1 - Current and Capital Revenue and Receipts (continued)

	2000/01		2001/02	Description of 2001/02 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
Capital Receipts				
Sale Proceeds of Quota	4	4	-	Revenue from the disposal of Crown-owned quota.
Total Capital Receipts	4	4	-	
Total Crown Revenue and Receipts	40,316	40,536	34,168	