

VOTE *Agriculture and Forestry*

Terms and Definitions Used

FAO	Food and Agricultural Organisation of the United Nations
MAF	Ministry of Agriculture and Forestry
NZFSA	New Zealand Food Safety Authority
SILNA	South Island Landless Natives Act

Footnotes

Note 1	For this output the Minister of Finance has approved the incurring of costs up to the estimated level of trading revenue earned from third parties. This approval is given in terms of section 10 of the Public Finance Act 1989.
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Agriculture and Forestry

VOTE MINISTER: Minister of Agriculture

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry

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

Part B - Statement of Appropriations

Summary of Appropriations

	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
Types of Appropriation	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	22,250	1,190	65,945	-	89,385
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	1,501	-	20,924	-	22,425
Capital Flows					
Capital Contributions	1,463	-	25	-	1,488
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 2002/03	25,214	1,190	86,894	-	113,298
Total 2002/03 Main Estimates Appropriations	21,633	2,025	81,328	-	104,986

Part B1 - Details of Appropriations

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Agriculture and Forestry Policy Advice	17,068	-	165	-	17,233	-	Policy advice and decision support to the Government with respect to the agricultural, forestry, horticultural and seafood sectors. The increase reflects new funding to ensure public access to private rural land and waterways and an expense transfer from 2001/02 for dairy industry restructuring.
D2 Administration of Indigenous Forestry Provisions	1,894	-	(150)	-	1,744	-	Administration of the indigenous forestry provisions of the Forest Act 1949, with the purpose of promoting the sustainable forest management of indigenous forest. The decrease is due to an expense transfer of SILNA funds to 2003/04.
D3 Contract, Grant and Asset Management	2,603	-	670	-	3,273	-	Management of the Crown's interest in forests established on Crown-Owned and Māori leased land. Management of the Sustainable Farming Fund, East Coast Forestry Project and the Crown's financial interest in forestry encouragement loans. The increase is an expense transfer from 2001/02 for administration of the Sustainable Farming Fund.
Total Appropriations for Departmental Output Classes (Mode B Gross)	21,565	-	685	-	22,250	-	

Departmental Output Classes (Mode B Net)							
D4 Contestable Services	-	2,025	-	(835)	-	1,190	Supply of administrative services and the leasing of property. The decrease reflects a reduction in the level of services being provided (see note 1).
Total Appropriations for Departmental Output Classes (Mode B Net)	-	2,025	-	(835)	-	1,190	
Non-Departmental Output Classes							
O1 Management of Crown Forestry Assets	62,328	-	3,617	-	65,945	-	Payments for forest and asset management of Crown forests established on both Crown-Owned and leased Māori land, 18 leases of Crown-Owned land to second parties for forestry purposes and two forestry joint ventures with other parties. The increase reflects changes in management plans and harvesting strategies during the year.
Total Appropriations for Non-Departmental Output Classes	62,328	-	3,617	-	65,945	-	
Other Expenses to be incurred by the Department							
Restructuring Expenses	68	-	1,433	-	1,501	-	Provides for residual change management costs relating to previous restructuring and establishment costs of the NZ Food Safety Authority. The increase is an expense transfer from 2001/02 for establishment costs of the NZFSA.
Total Appropriations for Other Expenses to be incurred by the Department	68	-	1,433	-	1,501	-	
Other Expenses to be Incurred by the Crown							
Adverse Climatic Events	400	-	-	-	400	-	Support to the agriculture and horticulture industries in the aftermath of adverse climatic events.
Community Irrigation Schemes	15	-	-	-	15	-	Operating and maintaining the Beggs irrigation scheme.

Part B1 - Details of Appropriations (continued)

	2002/03						Purpose of and Reasons for Change in 2002/03 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Other Expenses to be Incurred by the Crown - cont'd							
Compensation	-	-	2,200	-	2,200	-	Providing compensation payments where mandatory or appropriate.
East Coast Afforestation Grants	6,500	-	(2,600)	-	3,900	-	Grants to approved private forest growers under the Forestry (East Coast) Grants Regulations 1992. The decrease is due to grant payments being less than originally forecast.
Loss on Transfer or Disposal of Crown Lease Forests	-	-	933	-	933	-	Change in the valuation of the Crown's interest in lease forests following variation to the lease agreements and losses on sale of Crown forestry assets.
SILNA Goodwill Payments	357	-	(100)	-	257	-	Goodwill payments to owners of SILNA forests entering into a voluntary moratorium on unsustainable cutting of indigenous forest on their land. This is a 7-year programme and the decrease is due to the transfer of unrequired funding to 2003/04.
Subscriptions to International Organisations	2,153	-	-	-	2,153	-	Membership of various international organisations in particular the Food and Agriculture Organisation of the United Nations (FAO).
Sustainable Resource Development	9,550	-	1,516	-	11,066	-	Contestable fund for community driven programmes aimed at improving economic and environmental performance of land based sectors. The increase is an expense transfer of unspent funds from 2001/02.
Total Appropriations for Other Expenses to be Incurred by the Crown	18,975	-	1,949	-	20,924	-	

Capital Contributions to the Department							
Capital Investment	-	-	1,463	-	1,463	-	Capital contribution to fund NZ Food Safety Authority establishment costs.
Total Appropriations for Capital Contributions to the Department	-	-	1,463	-	1,463	-	
Capital Contributions to Other Persons or Organisations							
Forestry Encouragement Loans	25	-	-	-	25	-	Advances to private landowners and local authorities that hold approved forestry encouragement loans under the Forestry Encouragement Loan Regulations 1967 and amendments.
Total Appropriations for Capital Contributions to Other Persons or Organisations	25	-	-	-	25	-	
Total Appropriations	102,961	2,025	9,147	(835)	112,108	1,190	

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	2002/03			Explanation of 2002/03 Crown Revenue
	Main Estimates \$000	Supplementary Estimates \$000	Total Budgeted \$000	
Current Revenue				
Non-Tax Revenue				
Crown Forestry Assets	81,784	5,266	87,050	Revenue from the sale of forest produce from Crown forests. The increase reflects changes in management plans and harvesting strategies during the year.
Levy Charged Under the Dairy Industry Restructuring Act	1,265	-	1,265	Levy to fund the Commerce Commission's dispute resolution and regulatory enforcement functions under the Dairy Industry Restructuring Act 2001.
Total Non-Tax Revenue	83,049	5,266	88,315	
Total Current Revenue	83,049	5,266	88,315	
Capital Receipts				
Forestry Encouragement Loans	3,100	1,282	4,382	Repayment of forestry encouragement loans. The increase reflects additional loan repayments received from local authorities.
Sale of Forestry Assets	-	23,500	23,500	Sale of surplus Crown forest assets.
Total Capital Receipts	3,100	24,782	27,882	
Total Crown Revenue and Receipts	86,149	30,048	116,197	