

Information Supporting the Supplementary Estimates

Vote Food Safety

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Food Safety (M33)

ADMINISTERING DEPARTMENT: Ministry of Agriculture and Forestry

MINISTER RESPONSIBLE FOR MINISTRY OF AGRICULTURE AND FORESTRY: Minister of
Agriculture

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2010/11				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	96,113	(2,877)	-	(2,877)	93,236
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	2,150	-	(164)	(164)	1,986
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	98,263	(2,877)	(164)	(3,041)	95,222
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Assurance (M33)

Scope of Appropriation

This appropriation is limited to justifying and delivering assurances to consumers, the public, overseas authorities and other stakeholders that food, food-related products and inputs into the production of food (whether undertaken or produced in New Zealand or imported) are managed, audited, approved, registered and/or monitored in accordance with New Zealand legislation and, for exports, relevant importing countries' market access requirements.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	59,121	(1,099)	58,022
Revenue from Crown	3,843	15	3,858
Revenue from Other	57,430	(5,332)	52,098

Reasons for Change in Appropriation

This appropriation will decrease by \$1.099 million to \$58.022 million in 2010/11. This is due to: a reallocation of revenue Crown funded resources between output expenses (\$47,000); and reduced services to other public sector agencies (\$1.114 million). These changes are offset by an increase in Government Superannuation Fund employer contributions from 6% to 10.7% funded from revenue Crown (\$62,000).

Memorandum Account

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Verification of the Food Regulatory Programme			
Opening Balance at 1 July	(7,854)	215	(7,639)
Revenue	38,500	(240)	38,260
Expenses	(35,100)	(2,045)	(37,145)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(4,454)	(2,070)	(6,524)

Information (M33)*Scope of Appropriation*

This appropriation is limited to engagement of and information for stakeholders about food safety and suitability, to encourage participation in, and compliance with, the food regulatory programme, and to enable consumers to make appropriate food choices.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,110	(126)	3,984
Revenue from Crown	3,427	(148)	3,279
Revenue from Other	690	15	705

Reasons for Change in Appropriation

This appropriation will decrease by \$126,000 to \$3.984 million in 2010/11. This is due to an expense transfer to 2011/12 for the Domestic Food Review due to delays in the passage of the Food Bill (\$150,000). This change is offset by: increase in services to other public sector agencies (\$15,000); increase in Government Superannuation Fund employer contributions from 6% to 10.7% funded from revenue Crown (\$2,000); and increase in third party funded activity (\$7,000).

Policy Advice (M33)*Scope of Appropriation*

This appropriation is limited to analysis, policy, strategic and legal advice and decision making support relating to domestic and international arrangements concerning food safety, food suitability, enforcement, inputs related to food production and ministerial services.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,708	(72)	6,636
Revenue from Crown	6,687	(95)	6,592
Revenue from Other	115	(71)	44

Reasons for Change in Appropriation

This appropriation will decrease by \$72,000 to \$6.636 million in 2010/11. This is due an expense transfer to 2011/12 for the Domestic Food Review due to delays in the passage of the Food Bill (\$100,000). This change is offset by: increase in services to other public sector agencies (\$23,000); and increase in Government Superannuation Fund employer contributions from 6% to 10.7% funded from revenue Crown (\$5,000).

Response (M33)*Scope of Appropriation*

This appropriation is limited to the investigation of, preparedness for, and response to, food related events, incidents, emergencies, complaints and suspected breaches of legislation and taking appropriate sanctions and enforcement action.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,333	18	2,351
Revenue from Crown	2,302	20	2,322
Revenue from Other	31	(2)	29

Reasons for Change in Appropriation

This appropriation will increase by \$18,000 to \$2.351 million in 2010/11. This increase is due an increase in Government Superannuation Fund employer contributions from 6% to 10.7% funded from revenue Crown (\$20,000) offset by reduced services to other public sector agencies (\$2,000).

Standards (M33)*Scope of Appropriation*

This appropriation is limited to the scientific inputs and development and implementation of food related standards (including as appropriate international and joint Australia/New Zealand standards) and standards related to inputs into food production, imports, exports, new and emerging issues and the domestic market.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	23,841	(1,598)	22,243
Revenue from Crown	16,358	(65)	16,293
Revenue from Other	8,356	(2,439)	5,917

Reasons for Change in Appropriation

This appropriation will decrease by \$1.598 million to \$22.243 million in 2010/11. This is due to: an expense transfer to 2011/12 for negotiation of free trade or closer economic partnership agreements (FTA/CEP negotiations) (\$600,000); an expense transfer to 2012/13 for FTA/CEP negotiations (\$600,000); reduced services to other public sector agencies (\$1.623 million); and an expense transfer to 2011/12 for the Domestic Food Review due to delays in the passage of the Food Bill (\$500,000). These changes are offset by: an expense transfer from 2009/10 to meet cost of amalgamation of New Zealand Food Safety Authority (\$500,000); an expense transfer from 2009/10 for the Domestic Food Review (\$300,000); funding from Vote Foreign Affairs for FTA/CEP negotiations (\$44,000); a reallocation of revenue Crown funded resources between output expenses (\$47,000); an expense transfer from 2009/10 for FTA/CEP negotiations (\$700,000); an increase in Government Superannuation Fund employer contributions from 6% to 10.7% funded from revenue Crown (\$44,000); and an expense transfer from 2009/10 for New Zealand Food Safety Conference (\$90,000).

Memorandum Account

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Approvals, Accreditations and Registrations			
Opening Balance at 1 July	604	398	1,002
Revenue	3,500	(280)	3,220
Expenses	(3,700)	150	(3,550)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	404	268	672
Standards Setting for the Food Industry			
Opening Balance at 1 July	3,153	(11)	3,142
Revenue	16,115	(777)	15,338
Expenses	(17,262)	332	(16,930)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	2,006	(456)	1,550

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Joint Food Standards Setting Treaty (NDOC) (M33)

Scope of Appropriation

This appropriation is limited to the development of joint food standards, codes of practice, and guidance material for Australia and New Zealand by Food Standards Australia New Zealand in accordance with the Joint Food Standards Setting Treaty.

Reasons for Change in Appropriation

This appropriation will decrease by \$164,000 to \$1.986 million in 2010/11 due to the renegotiation of the partnership agreement with Food Standards Australia New Zealand (FSANZ), as part of the Treaty between the Governments of Australia and New Zealand.