

# *Vote Primary Industries*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Primary Industries (M87)

ADMINISTERING DEPARTMENT: Ministry for Primary Industries

MINISTER RESPONSIBLE FOR MINISTRY FOR PRIMARY INDUSTRIES: Minister for Primary Industries

## Overview of the Vote

The Minister for Primary Industries is responsible for appropriations in the Vote for the 2012/13 financial year covering the following:

- a total of just over \$148 million (22% of the Vote) on departmental output expenses for the development and implementation of policy advice
- a total of just over \$142 million (22% of the Vote) on departmental output expenses for border and domestic biosecurity risk management
- a total of over \$31 million (5% of the Vote) on departmental output expenses for implementation of the Emissions Trading Scheme and indigenous forestry provisions of the Forests Act 1949, administration of grants and programmes, animal welfare education and enforcement, administration and management of Crown forestry assets, provision of accommodation to other agencies, and South Pacific Regional Fisheries Management Organisation interim secretariat costs
- a total of nearly \$146 million (22% of the Vote) on non-departmental output expenses for purchasing forest management and wood production services from sector contractors for Crown forests, for the Crown's contribution to implementation of the Bovine Tuberculosis National Pest Management Strategy, for climate change research, and for the operation of the NZ Walking Access Commission
- a total of \$1.760 million for the operation of the Rural Veterinarians Bonding Scheme
- a total of just over \$170 million (26% of the Vote) for non-departmental other expenses, notably for the Primary Growth Partnership, a Government-industry initiative that invests in significant programmes of research and innovation to boost economic growth and sustainability across the primary sectors, and for settlement of the Crown's aquaculture new space obligations under the Māori Commercial Aquaculture Claims Settlement Act 2004, and
- a total of nearly \$18 million (3% of the Vote) for departmental capital expenditure.

### Crown Revenue and Capital Receipts

The Ministry expects to collect just over \$169 million of Crown revenue and capital receipts in 2012/13, made up as follows:

- a total of just over \$127 million for the sale of logs from Crown forests
- a total of over \$34 million in cost recoveries from the fishing industry
- a total of just over \$3 million from forestry encouragement loan interest and loan repayments
- a total of just over \$1 million in fines imposed under the Biosecurity Act and Fisheries Act
- a total of \$750,000 from the Emissions Trading Scheme fees and levies payable under the Dairy Industry Restructuring Act 2001, and
- a total of nearly \$3 million from other revenue, including deemed values applied to catch in excess of fishing quota and forfeitures for fisheries offences.

Details of these appropriations are set out in Parts 2-6 for Vote Primary Industries in the *Information Supporting the Estimates of Appropriations*.

# Details of Appropriations

## Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<i>Administration and Management of Crown Forestry Assets (M87)</i>	-	-	1,877
This appropriation is limited to administration and management of the Crown's interest in forests and forestry-related assets.			
<i>Administration of Grants and Programmes (M87)</i>	-	-	10,158
This appropriation is limited to the administration of government approved schemes, grants and assistance to the land-based sectors.			
<i>Animal Welfare Education and Enforcement (M87)</i>	-	-	5,136
This appropriation is limited to education and enforcement intended to improve animal welfare in New Zealand.			
<i>Border Biosecurity Risk Management MCOA (M87)</i>	-	-	91,339
<i>Border Biosecurity Monitoring and Clearance</i>	-	-	79,523
This output class is limited to biosecurity monitoring and clearance programmes that manage the biosecurity risk associated with international trade and travel.			
<i>Border Biosecurity Systems Development and Maintenance</i>	-	-	11,816
This output class is limited to the development and maintenance of standards and systems that manage biosecurity risk associated with imports and exports.			
<i>Development of Policy Advice MCOA (M87)</i>	-	-	71,475
<i>Agriculture and Forestry Policy Advice</i>	-	-	17,974
This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to agriculture and forestry, animal welfare and climate change.			
<i>Biosecurity Policy Advice</i>	-	-	3,823
This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to biosecurity.			
<i>Fisheries Policy Advice</i>	-	-	10,832
This output class is limited to the provision of advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to the development of standards and guidelines for the sustainable and efficient utilisation of New Zealand's fisheries and promotion of New Zealand's interests in an international context.			
<i>Operational Advice on Sustainability and Management Controls in Fisheries</i>	-	-	38,846
This output class is limited to operational advice (including second opinion advice and contributing to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to operational advice on sustainability and management controls for New Zealand's fisheries.			
<i>Domestic Biosecurity Risk Management MCOA (M87)</i>	-	-	50,876
<i>Biosecurity Incursion Response and Long Term Pest Management</i>	-	-	13,084
This output class is limited to the assessment, containment and possible eradication of suspected risk organisms within New Zealand.			

Titles and Scopes of Appropriations by Appropriation Type	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses - cont'd</b>			
<i>Domestic Biosecurity Surveillance</i> This output class is limited to domestic surveillance activities.	-	-	37,792
<i>Implementation of Policy Advice MCOA (M87)</i>	-	-	76,779
<i>Aquaculture</i> This output class is limited to implementing, supporting and monitoring the aquaculture strategy, and ministerial servicing.	-	-	2,897
<i>Fisheries Enforcement and Monitoring</i> This output class is limited to informing, assisting, directing and enforcing adherence to New Zealand fisheries laws, and ministerial servicing.	-	-	32,359
<i>Fisheries Management</i> This output class is limited to implementing ministerial decisions on sustainability and management controls for New Zealand fisheries, and ministerial servicing.	-	-	23,549
<i>Implementation of Agriculture and Forestry Policy Advice</i> This output class is limited to implementing policy decisions, operational policy, and administering legislation relating to agriculture and forestry, animal welfare and climate change matters, and ministerial servicing.	-	-	14,423
<i>Implementation of Biosecurity Policy Advice</i> This output class is limited to implementing policy decisions, operational policy, and administering legislation relating to biosecurity matters, and ministerial servicing.	-	-	3,551
<i>Implementation of the Emissions Trading Scheme and Indigenous Forestry (M87)</i> This appropriation is limited to the implementation of the agriculture and forestry provisions of the Climate Change Response Act 2002 and the indigenous forestry provisions of the Forests Act 1949.	-	-	13,244
<i>Interim Secretariat South Pacific Regional Fisheries Management Organisation (M87)</i> This appropriation is limited to administrative support for the interim secretariat of the South Pacific Regional Fisheries Management Organisation.	-	-	148
<i>Support Services and Infrastructure to Other Agencies RDA (M87)</i> This appropriation is limited to providing support services to other agencies, including financial, personnel and information technology services and sub-leasing of surplus accommodation.	-	-	898
<b>Total Departmental Output Expenses</b>	-	-	321,930
<b>Non-Departmental Output Expenses</b>			
<i>Climate Change Research (M87)</i> This appropriation is limited to obtaining science, research, technology, capacity and capability in climate change related to the primary land-based sectors.	-	-	9,200
<i>Control of TB Vectors (M87)</i> This appropriation is limited to the Crown's contribution to the implementation of the Bovine Tuberculosis National Pest Management Strategy.	-	-	30,850
<i>Management of Crown Forestry Assets (M87)</i> This appropriation is limited to the purchase of forestry operations, management services, research and related forest asset expenditure.	-	-	103,833
<i>Support for Walking Access (M87)</i> This appropriation is limited to the operation of the New Zealand Walking Access Commission.	-	-	1,789
<b>Total Non-Departmental Output Expenses</b>	-	-	145,672

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Benefits and Other Unrequited Expenses</b>			
<i>Rural Veterinarians Bonding Scheme (M87)</i>	-	-	1,760
This appropriation is limited to the provision of payments to veterinary professionals agreeing to work in understaffed, rural areas, in accordance with government approved criteria and guidelines.			
<b>Total Benefits and Other Unrequited Expenses</b>	-	-	1,760
<b>Non-Departmental Other Expenses</b>			
<i>Adverse Climatic Events (M87)</i>	-	-	526
This appropriation is limited to providing recovery assistance to the primary sector in the aftermath of adverse climatic events and assistance to rural support trusts.			
<i>Afforestation Grants Scheme (M87)</i>	-	-	5,869
This appropriation is limited to Afforestation Grant Scheme grants.			
<i>Aquaculture Settlements (M87)</i>	-	-	55,500
This appropriation is limited to the recognition of settlements negotiated under the Māori Aquaculture Commercial Claims Settlement Act 2004.			
<i>Community Irrigation Fund and Schemes (M87)</i>	-	-	1,332
This appropriation is limited to Community Irrigation Fund grants and operating and maintaining Crown irrigation schemes.			
<i>East Coast Afforestation Grants (M87)</i>	-	-	5,050
This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 1992.			
<i>Fisheries Quota Shares and ACE Administration Costs (M87)</i>	-	-	24
This appropriation is limited to the administration of the sale of Crown Quota Shares and Annual Catch Entitlement (ACE).			
<i>Hill Country Erosion Fund (M87)</i>	-	-	2,200
This appropriation is limited to projects that protect erosion-prone hill country.			
<i>Provision for Write Downs (M87)</i>	-	-	711
This appropriation is limited to non-departmental debt write-offs.			
<i>Response to the Kiwifruit disease Pseudomonas Syringae pv. Actinidiae (M87)</i>	-	-	1,500
This appropriation is limited to supporting an industry-led programme for the kiwifruit disease pseudomonas syringae pv. actinidiae.			
<i>Subscriptions to International Organisations (M87)</i>	-	-	3,158
This appropriation is limited to New Zealand's membership of primary industry-related international organisations.			
<i>Sustainable Farming Fund (M87)</i>	-	-	9,000
This appropriation is limited to community driven programmes aimed at improving economic and environmental performance.			
<b>Total Non-Departmental Other Expenses</b>	-	-	84,870
<b>Departmental Capital Expenditure</b>			
<i>Ministry for Primary Industries - Capital Expenditure PLA (M87)</i>	-	-	17,775
This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for Primary Industries, as authorised by section 24(1) of the Public Finance Act 1989.			
<b>Total Departmental Capital Expenditure</b>	-	-	17,775
<b>Total Annual and Permanent Appropriations</b>	-	-	657,583

## Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Other Expenses</b>		
<i>Global Research Alliance on Agricultural Greenhouse Gases (M87)</i>	Original Appropriation	38,253
This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
Commences: 1 July 2012	Adjusted Appropriation	38,253
Expires: 30 June 2016	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
	Estimated Actual for 2012/13	8,600
	Estimated Appropriation Remaining	29,653
<i>Primary Growth Partnership (M87)</i>	Original Appropriation	352,380
This appropriation is limited to primary, food and forestry sector investment in education and skills development, research and development, product development, commercialisation, market development and technology transfer, in partnership with relevant industry groups, including research related to greenhouse gases via the Centre for Agricultural Greenhouse Gas Research.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
Commences: 1 July 2012	Adjusted Appropriation	352,380
Expires: 30 June 2017	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
	Estimated Actual for 2012/13	70,476
	Estimated Appropriation Remaining	281,904
<i>Water Storage and Irrigation Investment Proposals (M87)</i>	Original Appropriation	32,500
This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage.	Adjustments to 2010/11	-
	Adjustments for 2011/12	-
Commences: 1 July 2012	Adjusted Appropriation	32,500
Expires: 30 June 2016	Actual to 2010/11 Year End	-
	Estimated Actual for 2011/12	-
	Estimated Actual for 2012/13	6,500
	Estimated Appropriation Remaining	26,000

# Details of Projected Movements in Departmental Net Assets

## Ministry for Primary Industries

Details of Net Asset Schedule	2011/12 Estimated Actual \$000	2012/13 Projected \$000	Explanation of Projected Movements in 2012/13
Opening Balance	37,424	58,266	
Capital Injections	21,437	8,506	Development of: Joint Border Management System (JBMS) with New Zealand Customs Service (\$4.986 million); National Animal Identification Traceability (NAIT) application (\$800,000); system for trans-Tasman transfer of x-ray images of checked-in baggage (\$2 million); and electronic wine certification capability (\$720,000).
Capital Withdrawals	(595)	(595)	Part repayment of 2004/05 capital injection for MAF Head Office accommodation.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	58,266	66,177	