

# *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 2013/14 financial year covering:

- a total of just over \$131 million (20% of the Vote) on the departmental output expense for the development and implementation of policy advice
- a total of nearly \$144 million (22% of the Vote) on departmental output expenses for border and domestic biosecurity risk management
- a total of just over \$27 million (4% 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, and administration and management of Crown forestry assets
- a total of nearly \$136 million (21% 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 New Zealand Walking Access Commission
- a total of \$1.650 million for the operation of the Rural Veterinarians Bonding Scheme
- a total of nearly \$183 million (28% 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
- a total of just over \$30 million (5% of the Vote) for departmental capital expenditure.

### Crown Revenue and Capital Receipts

The Ministry expects to collect just over \$157 million of Crown revenue and capital receipts in 2013/14, made up as follows:

- a total of nearly \$116 million for the sale of logs from Crown forests
- a total of just over \$3 million for the sale of Crown Forestry Assets
- a total of just over \$31 million in cost recoveries from the fishing industry
- a total of over \$2 million from forestry encouragement loan interest and loan repayments
- a total of just over \$1 million in fines imposed under the Biosecurity Act 1993 and Fisheries Act 1996
- a total of \$750,000 from the Emissions Trading Scheme fees and levies payable under the Dairy Industry Restructuring Act 2001
- 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	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<i>Administration and Management of Crown Forestry Assets (M87)</i> This appropriation is limited to administration and management of the Crown's interest in forests and forestry-related assets.	2,097	2,095	2,196
<i>Administration of Grants and Programmes (M87)</i> This appropriation is limited to the administration of government approved schemes, grants and assistance to the land-based sectors.	9,343	8,621	9,981
<i>Animal Welfare Education and Enforcement (M87)</i> This appropriation is limited to education and enforcement intended to improve animal welfare in New Zealand.	3,649	3,623	3,760
<i>Border Biosecurity Risk Management MCOA (M87)</i>			
<i>Border Biosecurity Monitoring and Clearance</i> This output class is limited to biosecurity monitoring and clearance programmes that manage the biosecurity risk associated with international trade and travel.	97,416	96,289	91,172
<i>Border Biosecurity Systems Development and Maintenance</i> This output class is limited to the development and maintenance of standards and systems that manage biosecurity risk associated with imports and exports.	79,518	78,418	72,894
	17,898	17,871	18,278
<i>Development of Policy Advice MCOA (M87)</i>			
<i>Agriculture and Forestry Policy Advice</i> 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.	60,469	55,115	55,064
<i>Biosecurity Policy Advice</i> 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.	18,181	16,800	19,953
<i>Fisheries Policy Advice</i> 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.	3,022	2,944	2,955
<i>Operational Advice on Sustainability and Management Controls in Fisheries</i> 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.	3,910	3,830	3,872
	35,356	31,541	28,284

Titles and Scopes of Appropriations by Appropriation Type	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses - cont'd</b>			
<b><i>Domestic Biosecurity Risk Management MCOA (M87)</i></b>	51,204	50,933	52,518
<i>Biosecurity Incursion Response and Long Term Pest Management</i> This output class is limited to the assessment, containment and possible eradication of suspected risk organisms within New Zealand.	26,373	26,125	28,066
<i>Domestic Biosecurity Surveillance</i> This output class is limited to domestic surveillance activities.	24,831	24,808	24,452
<b><i>Implementation of Policy Advice MCOA (M87)</i></b>	71,360	69,604	76,312
<i>Aquaculture</i> This output class is limited to implementing, supporting and monitoring the aquaculture strategy, and ministerial servicing.	4,296	3,223	3,141
<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.	41,876	41,835	44,732
<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.	9,524	9,435	9,682
<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.	11,687	11,139	13,795
<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.	3,977	3,972	4,962
<b><i>Implementation of the Emissions Trading Scheme and Indigenous Forestry (M87)</i></b> 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.	10,877	10,191	11,441
<b><i>Interim Secretariat South Pacific Regional Fisheries Management Organisation (M87)</i></b> This appropriation is limited to administrative support for the interim secretariat of the South Pacific Regional Fisheries Management Organisation.	377	377	-
<b><i>Support Services and Infrastructure to Other Agencies RDA (M87)</i></b> This appropriation is limited to providing support services to other agencies, including financial, personnel and information technology services and sub-leasing of surplus accommodation.	605	605	-
<b>Total Departmental Output Expenses</b>	307,397	297,453	302,444
<b>Non-Departmental Output Expenses</b>			
<b><i>Climate Change Research (M87)</i></b> This appropriation is limited to obtaining science, research, technology, capacity and capability in climate change related to the primary land-based sectors.	8,472	6,042	7,628
<b><i>Control of TB Vectors (M87)</i></b> This appropriation is limited to the Crown's contribution to the implementation of the Bovine Tuberculosis National Pest Management Strategy.	30,850	29,350	30,000

	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Management of Crown Forestry Assets (M87)</i>	99,900	99,900	96,578
This appropriation is limited to the purchase of forestry operations, management services, research and related forest asset expenditure.			
<i>Support for Walking Access (M87)</i>	1,789	1,789	1,789
This appropriation is limited to the operation of the New Zealand Walking Access Commission.			
<b>Total Non-Departmental Output Expenses</b>	141,011	137,081	135,995
<b>Benefits and Other Unrequited Expenses</b>			
<i>Rural Veterinarians Bonding Scheme (M87)</i>	1,400	1,400	1,650
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>	1,400	1,400	1,650
<b>Non-Departmental Other Expenses</b>			
<i>Adverse Climatic Events (M87)</i>	776	776	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>	5,840	5,262	386
This appropriation is limited to Afforestation Grant Scheme grants.			
<i>Aquaculture Settlements (M87)</i>	10,848	-	65,000
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>	1,302	1,102	347
This appropriation is limited to Community Irrigation Fund grants and operating and maintaining Crown irrigation schemes.			
<i>Fisheries Quota Shares and ACE Administration Costs (M87)</i>	24	24	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	2,200	2,200
This appropriation is limited to projects that protect erosion-prone hill country.			
<i>Provision for Write Downs (M87)</i>	711	711	711
This appropriation is limited to non-departmental debt write-offs.			
<i>Response to the Kiwifruit disease Pseudomonas Syringae pv. Actinidiae (M87)</i>	4,805	2,105	800
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>	2,708	2,708	3,408
This appropriation is limited to New Zealand's membership of primary industry-related international organisations.			
<i>Sustainable Farming Fund (M87)</i>	9,300	7,300	8,000
This appropriation is limited to community driven programmes aimed at improving economic and environmental performance.			
<i>East Coast Afforestation Grants (M87)</i>	5,384	5,384	-
This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 1992.			
<b>Total Non-Departmental Other Expenses</b>	43,898	27,572	81,402

Titles and Scopes of Appropriations by Appropriation Type	2012/13		2013/14
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Capital Expenditure</b>			
<i>Ministry for Primary Industries - Capital Expenditure PLA (M87)</i>	22,808	22,808	30,213
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>	22,808	22,808	30,213
<b>Total Annual and Permanent Appropriations</b>	516,514	486,314	551,704

## Details of Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Other Expenses</b>		
<b><i>East Coast Afforestation Grants (M87)</i></b> This appropriation is limited to grants under the Forestry (East Coast) Grants Regulations 2000. Commences: 1 July 2013 Expires: 30 June 2017	Original Appropriation Adjustments to 2011/12 Adjustments for 2012/13 Adjusted Appropriation Actual to 2011/12 Year End Estimated Actual for 2012/13 Estimated Actual for 2013/14 Estimated Appropriation Remaining	18,460 - - 18,460 - - 3,615 14,845
<b><i>Global Research Alliance on Agricultural Greenhouse Gases (M87)</i></b> This appropriation is limited to the Global Research Alliance on Agricultural Greenhouse Gases. Commences: 1 July 2012 Expires: 30 June 2016	Original Appropriation Adjustments to 2011/12 Adjustments for 2012/13 Adjusted Appropriation Actual to 2011/12 Year End Estimated Actual for 2012/13 Estimated Actual for 2013/14 Estimated Appropriation Remaining	38,253 - 442 38,695 - 5,635 11,020 22,040
<b><i>Primary Growth Partnership (M87)</i></b> 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 New Zealand Agricultural Greenhouse Gas Research Centre. Commences: 1 July 2012 Expires: 30 June 2017	Original Appropriation Adjustments to 2011/12 Adjustments for 2012/13 Adjusted Appropriation Actual to 2011/12 Year End Estimated Actual for 2012/13 Estimated Actual for 2013/14 Estimated Appropriation Remaining	352,380 - 1,371 353,751 - 37,591 79,040 237,120
<b><i>Water Storage and Irrigation Investment Proposals (M87)</i></b> This appropriation is limited to preparation of proposals for irrigation schemes to an investment ready stage. Commences: 1 July 2012 Expires: 30 June 2016	Original Appropriation Adjustments to 2011/12 Adjustments for 2012/13 Adjusted Appropriation Actual to 2011/12 Year End Estimated Actual for 2012/13 Estimated Actual for 2013/14 Estimated Appropriation Remaining	32,500 - 725 33,225 - 7,000 8,000 18,225

## Details of Projected Movements in Departmental Net Assets

### Ministry for Primary Industries

Details of Net Asset Schedule	2012/13 Estimated Actual \$000	2013/14 Projected \$000	Explanation of Projected Movements in 2013/14
Opening Balance	59,736	63,487	
Capital Injections	2,038	3,568	Development of Joint Border Management System (JBMS) with New Zealand Customs Service (\$1.568 million) and system for trans-Tasman transfer of x-ray images of checked-in baggage (\$2 million).
Capital Withdrawals	(595)	(595)	Part repayment of 2004/05 capital injection for Ministry of Agriculture and Forestry Head Office accommodation.
Surplus to be Retained (Deficit Incurred)	2,308	1,517	Services subject to memorandum accounts.
Other Movements	-	-	
<b>Closing Balance</b>	<b>63,487</b>	<b>67,977</b>	