2016/112

Biosecurity (National Bovine Tuberculosis Pest Management Plan) Amendment Order 2016

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 30th day of May 2016

Present:
His Excellency the Governor-General in Council

This order is made under section 100G of the Biosecurity Act 1993—

(a) on the advice and with the consent of the Executive Council; and

(b) on the recommendation of the Minister for Primary Industries made after being satisfied of the matters in section 100G(1) of that Act.

Contents

Order

1 Title

This order is the Biosecurity (National Bovine Tuberculosis Pest Management Plan) Amendment Order 2016.

2 Commencement

(1) This order comes into force on 1 July 2016.

(2) However, clauses 9 and 11 come into force on 1 August 2016.

3 Principal order

This order amends the Biosecurity (National Bovine Tuberculosis Pest Management Plan) Order 1998 (the **principal order**).

4 Clause 2 amended (Interpretation)

(1) In clause 2(1), revoke the definition of **tuberculosis vector free area**.

(2) In clause 2(1), insert in their appropriate alphabetical order:

Deer Industry New Zealand means the body established as Deer Industry New Zealand under regulation 4 of the Deer Industry New Zealand Regulations 2004

financial year means the year ending 30 June

5 Clause 5 amended (Objectives of plan)

(1) Replace clause 5(1) with:

(1) The plan's primary objective is the eradication of Mycobacterium bovis (which causes bovine tuberculosis) from New Zealand by the end of the term of the plan, with the following key milestones:

(a) freedom from bovine tuberculosis in cattle and deer by 30 June 2026; and

(b) freedom from bovine tuberculosis in possums by 30 June 2040.

(1A) For the purposes of subclause (1), **freedom from bovine tuberculosis** means that the statistical likelihood of bovine tuberculosis being present in the population of the species concerned is assessed by TBfree New Zealand as being no greater than 0.0001% throughout the preceding 12-month period.

(2) In clause 5(2), replace "0.4%" with "0.2%".

6 Clause 7 amended (Term of plan)

In clause 7, replace "2026" with "2055".

7 Clause 12C amended (Form and content of declarations)

In clause 12C(1)(c)(ii), replace "2012 at 2074" with "2012, at p 2074".

8 Clause 18 amended (Compensation)

(1) In clause 18(1), after “head of cattle”, insert “or head of deer”.

(2) After clause 18(1)(b), insert:

(c) slaughtered in any other situation where slaughter is the only permitted or practicable option for that animal as a direct result of the implementation of this plan.

(3) Replace clause 18(2) with:

(2) The amount of compensation payable is to be a percentage of the uninfected value of the animal, with the percentage payable to be determined by TBfree New Zealand based on—

(a) whether the animal has bovine tuberculosis; and

(b) if the animal has bovine tuberculosis, whether the animal is subject to a High Risk Infected Herd Management Plan agreed between TBfree New Zealand and the herd owner; and

(c) the capacity of TBfree New Zealand to pay compensation, determined based on the amount of money available for compensation and the expected number of compensation payments to be made in a financial year.

(3) For the purposes of this clause, **uninfected value of the animal** means the fair market value of the animal, calculated as if the animal did not have bovine tuberculosis, on the date of the direction for slaughter (if a direction was given under the Act) or the date of slaughter (if no direction was given under the Act), as determined by—

(a) DairyNZ Limited, if the animal is a beast raised for dairy farming; or

(b) Beef + Lamb New Zealand Limited, if the animal is a beast raised for beef; or

(c) Deer Industry New Zealand, if the animal is a deer.

9 Clause 19 amended (Funding of plans)

(1) Replace clause 19(a) with:

(a) subject to section 100L(5) of the Act, by a levy under section 100L(1) of the Act on—

(i) cattle that are slaughtered (if the dressed weight of the cattle beast is or exceeds 40 kg); and

(ii) cattle or deer that are exported live:

(2) In clause 19(c), after “Act”, insert “, if any”.

(3) Revoke clause 19(h).

(4) In clause 19, insert as subclause (2):

(2) The payments made for each financial year—

(a) from beef levies must be, in total, the amount of beef funding determined in accordance with the Schedule:

(b) from dairy levies must be, in total, the amount of dairy funding determined in accordance with the Schedule:

(c) from payments under subclause (1)(e) must be, in total, the amount of deer funding determined in accordance with the Schedule:

(d) from the sources in paragraphs (a) to (c) are to be, in total, 59.2% of the plan's funding under subclause (1) for that financial year.

(3) For the purposes of this clause,—

beef levies means levies in respect of beef cattle under subclause (1)(a)(i) and, for the financial year ending 30 June 2017, includes previous beef levies

dairy levies means levies in respect of dairy cattle under subclause (1)(a)(i) and payments under subclause (1)(b) and, for the financial year ending 30 June 2017, includes previous dairy levies

previous beef levies means payments in respect of the period starting on 1 July 2016 and ending on 31 July 2016 made under the Biosecurity (Bovine Tuberculosis—Cattle Levy) Order 1998 and the Biosecurity (Bovine Tuberculosis—Otago Land Levy) Order 1998 that are attributed by TBfree New Zealand to beef cattle

previous dairy levies means payments in respect of the period starting on 1 July 2016 and ending on 31 July 2016 made under the Biosecurity (Bovine Tuberculosis—Cattle Levy) Order 1998 and the Biosecurity (Bovine Tuberculosis—Otago Land Levy) Order 1998 that are attributed by TBfree New Zealand to dairy cattle.

10 Clause 20 revoked (Application of funds)

Revoke clause 20.

11 New Schedule inserted

After clause 21, insert the Schedule set out in the Schedule of this order.

Schedule
New Schedule inserted

cl 11

Schedule
Amounts to be paid by beef, dairy, and deer industries

cl 19(2)

1 Interpretation

(1) For the purposes of this schedule,—

beef farm gate value, for a financial year, means the average number of beef cattle in New Zealand in a year multiplied by the average revenue per head of beef cattle

beef funding means payments from beef levies (as defined in clause 19(3))

dairy farm gate value, for a financial year, means the average number of dairy cattle in New Zealand in a year multiplied by the average revenue per head of dairy cattle

dairy funding means payments from dairy levies (as defined in clause 19(3))

deer farm gate value, for a financial year, means the average number of deer in New Zealand in a year multiplied by the average revenue per head of deer

deer funding, for a financial year, means payments under clause 19(1)(e) for that year

total funding, for a financial year, means 59.2% of the plan's funding under clause 19(1) for that financial year.

(2) A reference to an average in subclause (1) is a reference to an average estimated by TBfree New Zealand.

2 Amounts to be paid for the 2016/2017 financial year

For the financial year ending 30 June 2017,—

(a) beef funding must be $9.4 million:

(b) dairy funding must be $27.98 million:

(c) deer funding must be $1.08 million.

3 Amounts to be paid for 2017/2018 and later financial years

To calculate the beef funding, dairy funding, and deer funding for a financial year, perform the following calculations:

(a) calculate a, b, and c as follows:

a = (beef funding for previous financial year ÷ beef farm gate value for previous financial year) × beef farm gate value for financial year

b = (dairy funding for previous financial year ÷ dairy farm gate value for previous financial year) × dairy farm gate value for financial year

c = (deer funding for previous financial year ÷ deer farm gate value for previous financial year) × deer farm gate value for financial year

(b) then, calculate d as follows:

d = a + b + c

(c) then, calculate beef funding as follows:

(a ÷ d) × total funding for financial year

(d) then, calculate dairy funding as follows:

(b ÷ d) × total funding for financial year

(e) then, calculate deer funding as follows:

(c ÷ d) × total funding for financial year

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order amends the Biosecurity (National Bovine Tuberculosis Pest Management Plan) Order 1998 by—

- replacing the primary objective of the National Bovine Tuberculosis Pest Management Plan (the **plan**) with the object of eradicating Mycobacterium bovis (which causes bovine tuberculosis) from New Zealand by the end of the term of the plan; and
- extending the term of the plan to 30 June 2055; and
- providing for compensation to be paid in a wider range of circumstances and for slaughtered deer; and
- changing the way in which compensation is calculated so as to differentiate between animals that have bovine tuberculosis and animals that do not have bovine tuberculosis; and
- amending the funding arrangements to take account of the Biosecurity (Bovine Tuberculosis—Cattle and Deer Levy) Order 2016; and
- setting a formula to determine funding shares in respect of beef, dairy, and deer; and
- removing limitations on how the funds collected from the funding sources may be used to implement the plan.

This order, except for *clauses 9 and 11*, comes into force on 1 July 2016. *Clauses 9 and 11*, which amend the funding arrangements to take account of the Biosecurity (Bovine Tuberculosis—Cattle and Deer Levy) Order 2016, come into force on 1 August 2016 (the date that order comes into force). The funding amounts for the 2016/2017 financial year are total amounts to be paid from both the old and the new funding arrangements for that year.

Regulatory impact statement

The Ministry for Primary Industries produced a regulatory impact statement on 4 November 2015 to help inform the decisions taken by the Government relating to the contents of this instrument.

A copy of this regulatory impact statement can be found at—

- http://www.mpi.govt.nz/law-and-policy/legal-overviews/regulatory-impact-statements
- http://www.treasury.govt.nz/publications/informationreleases/ris

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 2 June 2016.
This order is administered by the Ministry for Primary Industries.

Wellington, New Zealand:

Published under the authority of the New Zealand Government—2016