GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

IMC/INV/17/Rev.1/Add.2
12 December 1985

Arrangement Regarding Bovine Meat

Original: English

INTERNATIONAL MEAT COUNCIL

Inventory of Domestic Policies and Trade Measures and Information on Bilateral, Plurilateral or Multilateral Commitments

Reply to Parts G and H of the Questionnaire

NEW ZEALAND

Addendum

The participants have agreed to provide information concerning their domestic policies and trade measures including bilateral and plurilateral commitments on the basis of Parts G and H of the Questionnaire (Rule 16 of the Rules of Procedure). The documents containing replies to these parts of the Questionnaire are circulated under the symbol IMC/INV; they are revised as and when changes are notified.

This set of documents constitutes the inventory of all measures affecting trade in bovine meat, including commitments resulting from bilateral, plurilateral and multilateral negotiations, which the Council has instructed the secretariat to draw up and keep up to date, under the provisions of Article III of the Arrangement (Note to Article III of the Arrangement and Rule 18 of the Rules of Procedure).

Note: Since the last notification, made on 15 September 1983 (IMC/INV/17/Rev.1), there have been no major changes in the New Zealand policy relating to the bovine meat sector. Addendum 1 and 2 have therefore been confined to updating that notification.

PART G

Part G.1: Information on Domestic Policies and Trade Measures

1. Production

(a) Description of beef industry

Total cattle numbers in New Zealand at 30 June 1985 totalled 7.9 million. Beef and veal production in the year ending 30 September 1985 totalled 486.8 thousand tonnes (bone-in weight). Exports in the same year totalled 228.0 thousand tonnes (product weight).

Traditional beef production

In 1983-84 income from cattle constituted about 22.8 per cent of gross farm income on an average North Island hill country sheep and cattle farm.

In 1983-84 income from cattle constituted about 16.3 per cent of gross farm income on an average North Island intensive fattening sheep and cattle farm.

Dairy beef production

Beef production from the dairy industry is an important part of total New Zealand beef production. In 1983-84 it is estimated that about 25 per cent of total beef and veal production was derived from cattle of dairy origin.

(b) Government policies influencing production

Government policies for the agricultural sector have some minor influence for beef producers. The main programmes are the fertilizer price subsidy of $12 per tonne (ends June 1986) and compensation to farmers under the cattle tuberculosis and brucellosis eradication schemes. Meat from reactor meat is not eligible for export. The government also provides two thirds of the cost of meat inspection services at all meat export slaughterhouses and abattoirs. This payment will reduce to one third on 1 October 1986. A decision will then be made on whether the government will withdraw from the service completely. Abattoirs supply meat only to the domestic market.

(c) Stabilization schemes

There is one price-support scheme for export beef production in New Zealand.

1. The New Zealand Meat Producers Board (NZMPB) price smoothing scheme

The following table lists the minimum and trigger prices set under the scheme for recent meat production seasons (1 October to 30 September) in New Zealand cents/kg.

Meat Grade	1982-83		1983-84		1984-85		1985-86	
	Minimum	Trigger	Minimum	Trigger	Minimum	Trigger	Minimum	Trigger
Prime beef (steer) P1 (245.5-270 kg.)	128	175	153	200	215	305	148	300
Manufacturing cow beef M (145.5-170 kg.)	98	145	120	165	166	250	120	250
Manufacturing bull beef (220.5-245 kg.)	127	175	150	195	215	300	158	300

After levying beef exports during the 1978-79 season payments were made to beef producers during the 1979-80, 1980-81, and 1981-82 seasons amounting to $9.7 million, $23.5 million and $4.4 million respectively. In the 1983-84 season, levies totalling $5.7 million were collected during the September quarter. There was no supplementation or levying during the 1984-85 season.